THE CHINA WEEKLY

REVIEW

Devoted to the Economic, Political and Social Development of China and its Intercourse with Other Nations

MANCHURIA

Tanaka Violates the Washington Conference Treaties and Attempts to Establish a Protectorate Over China's Three Eastern Provinces!

密勒氏評論報

SATURDAY, MAY 26, 1928

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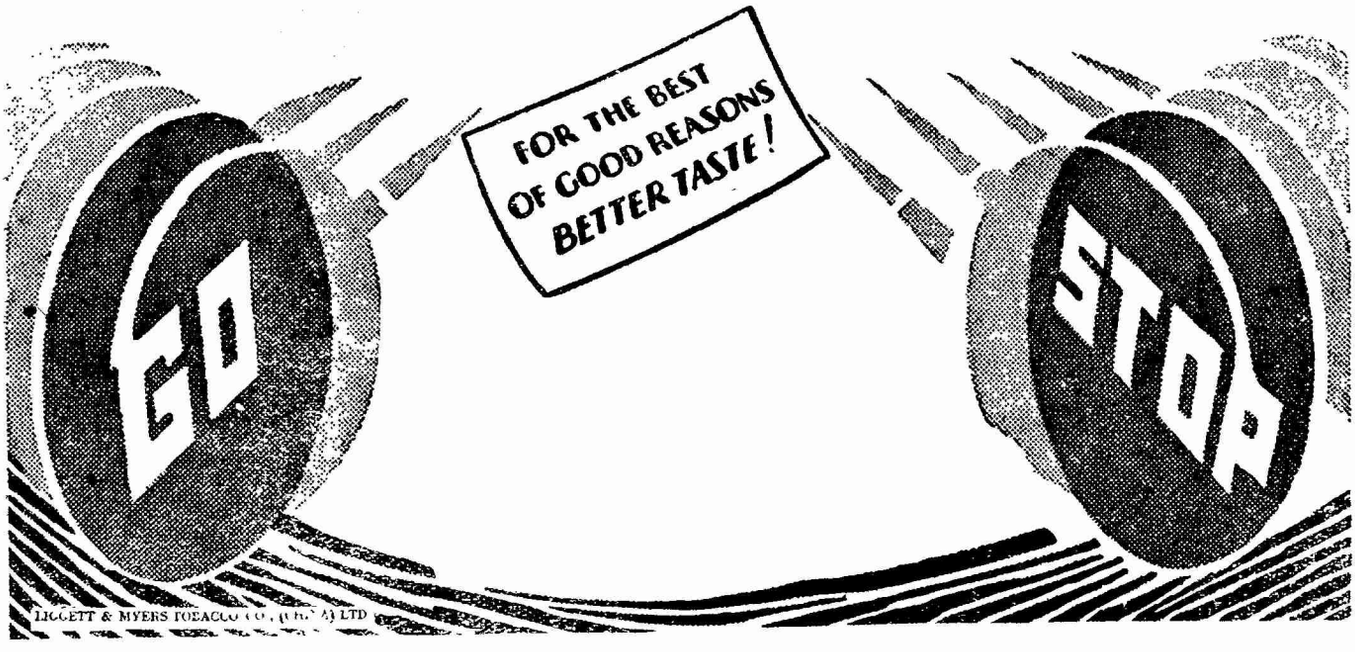

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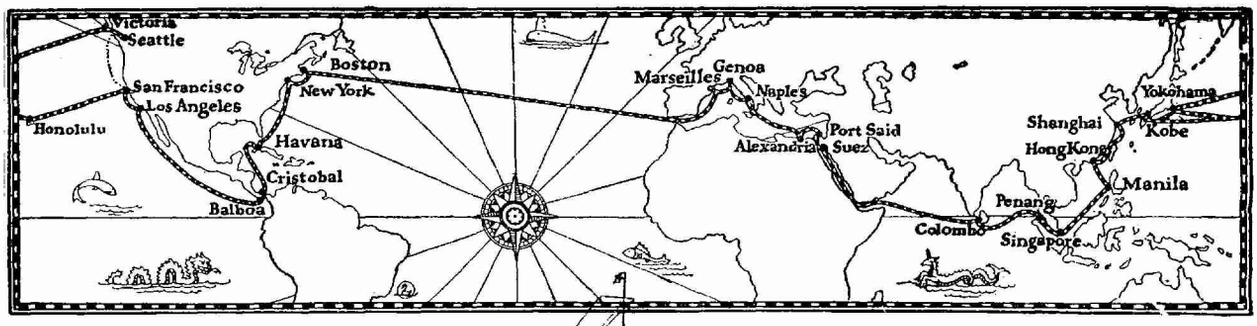

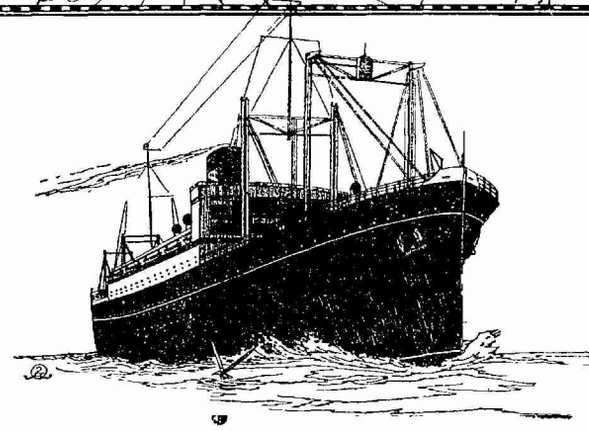

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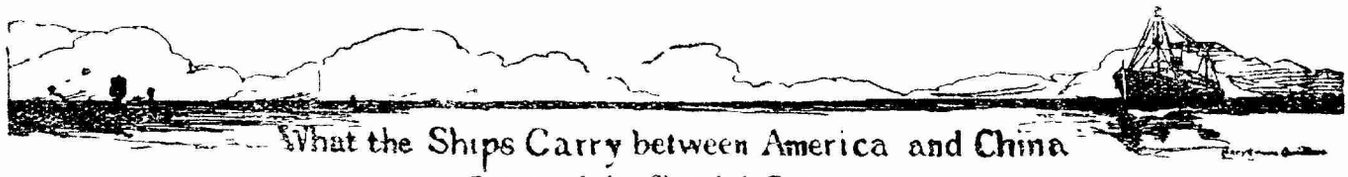

What the Ships Carry between America and China

Return of the Shanghai Customs

Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs.—Pieces; Mills—thousands; Hk. Tls.—Haikwan Tls; April Customs Rate Tls. 1.43 equal Gold $1

PRESIDENT GARFIELD, April 3.

From U. S. A.

Bedsteads	Pcs.	2
Machines, Calculating	,,	12
Machines, Knitting	,,	10
Mirrors	,,	59
Motor-cars	,,	1
Motor-trucks	,,	2
Typewriters	,,	80
Wool and Cotton Cloth	Yds.	182
Cotton Yarn, Mercerised	Pls.	8
Cotton Thread, Embroidery	,,	40
Aluminium Foil	,,	46
,, Plates	,,	6
,, Wire	,,	30
Antifriction Metal	,,	29
Brass Screws	,,	4
Steel Nails, Cut	,,	270
,, crews	,,	189
,, Tool Bars	,,	543
Steel, Galvanized: Wire Shorts	,,	840
Zinc Plates	,,	25
Acid, Unclassed	,,	2
Canned Asparagus	,,	9
,, Fruits	,,	12
Cement, Unclassed	,,	39
Grease, Lubricating, Mineral	,,	15
Hops	,,	8
Indigo Paste, Artificial, 20 per cent.	,,	900
Leather, Calf, Patent	,,	3
,, ,, Coloured	,,	23
,, Cow, Patent	,,	4
,, ,, Coloured	,,	6
,, ,, Enamelled	,,	2
,, Sole	,,	158
Macaroni	,,	38
Oranges, Fresh	,,	409
Paper, Coated	,,	1,245
,, Writing	,,	87
,, Unclassed	,,	10
Potassium, Iodide	,,	2
Prunes, Dried	,,	38
Shrimps, Dried	,,	70
Tobacco, Prepared	,,	4
Coffee	Catties	2,022
Chocolate	Lb.	2,094
Baking Powder	Doz.	2,509
Underwear, Cotton	Doz.	46
Hosiery	,,	49
Milk, Malted	,,	58
Sardines	,,	400
Cigarettes	Mille	54,050
Lemons, Fresh	,,	48
Shoes	Pairs	4,731
Oil, Lubricating, Mineral	Galls.	22,108
Paints, Unclassed	,,	130
Varnish	,,	1,278
Dyes, Aniline Pkgs, 312	Hk Tls.	11,942
Infants' Food	Hk. Tls.	3,111
Machinery	Hk. Tls.	13,860
Treasure: Silver Bars	Hk. Tls.	2,955,089

ARIZONA MARU, April 5.

To Seattle.

Oil, Wood	Pls.	5,550

To New York.

Skins, Weasel, with Tails, Untanned	Pcs.	2,500

PRESIDENT CLEVELAND, April 5.

To Seattle.

Tea, Black: Congou, Hankow	Pls.	2
Brassware	,,	14
Egg, Albumen, Moist	,,	116
,, Whole, Moist	,,	360
,, Yolk, Moist	,,	51
Intestines, Pig, Salted	,,	11
Oil, Wood	,,	13,500
Walnuts, Shelled	,,	281
Bags, Straw	Pcs.	684
Rugs	,,	64

To Baltimore.

Brassware	Pls.	22

To Philadelphia.

Rugs	Pcs.	52

To Shamokin.

Silk, Raw, Steam Filature: White, Shanghai Bls. 56	Pls.	55.83
Yellow, Shanghai Bls. 40	,,	40.11

To Huntingdon.

Silk, Raw, Steam Filature: White, Shanghai Bls. 10	,,	10.09

To Reading.

Silk, Raw, Steam Filature: White, Shanghai Bls. 15	,,	14.89

To St. Joseph.

Rugs	Pcs.	78

To Chicago.

Hair-net, Human	Gross	520

To Charleston.

Hair, Human	Pls.	163

To Buffalo.

Silk, Raw, Steam Filature: White, Shanghai Bls. 20		19.94

To New York.

Silk, Raw Steam Filatue white, Shanghai Pls. 185 Pls.	,,	184.58
White, other Ports Bls. 15	,,	15.00
Silk Pongees, Honan	,,	17.40
Brassware	,,	10
Egg Albumen, Dried	,,	84
Intestines, Pig, Salted	,,	28
,, Goat ,,	,,	14
,, Sheep, Salted	,,	73
Rugs	Pcs.	171
Skins, Badger, Untanned	,,	2,000
,, Dog, Tanned	,,	2,000
,, Leopard, Untanned	,,	162
,, Marmot	,,	10,617
,, Mole Untanned	,,	7,000
,, Raccoon, ,,	,,	5,325
,, Sheep, ,,	,,	11,990
,, Weasel, with Tails, Untanned	,,	5,030

PAUL, LECAT, April 5.

To New York.

Silk, Raw, Steam Filature: White, Shanghai Bls. 50	Pls.	50.51

FUJI MARU, April 5.

From U S. A.

Borax	Pls.	168
Milk, Evaporated	,,	282
Sugar of Milk	,,	63
Sardines	Doz.	1,800
Timber: Softwood, Logs	Sup. ft	434,361

KOREA MARU, April 9.

from U. S. A.

Leather, Calf, Coloured	Pls.	2
,, Cow, Patent	,,	2
Lead, in Pigs	,,	841
Milk, Condensed	,,	54
Milk, Evaporated	,,	837
Cigarettes	Mille	2,550
Oil, Lubricating, Mineral	Galls.	13,334
Shoes, Leather	Pairs	185

NAIRNBANK, April 95.

from U. S A.

Tinned Plates, Plain	Pls.	381
Cotton, Raw	Bls. 1,200	4,342
Timber: Softwood, Ordinary, Sawn	Sup ft.	1,005,773

ARGUN MARU, April 17.

Foreign Goods.

Cotton Rags, Old	Pls.	149

To San Francisco.

Tallow, Vegetable	,,	2,091

To Los Angeles.

Egg Albumen, Dried	,,	101

To Philadelphia.

Skins, Goat, Untanned	,,	84
Wool, Sheep's	,,	430

Latest New York Stock Exchange Quotations

May 22, 1928. Swan, Culbertson & Co. Tel. 18891-18990

Market Closed Weak Business Done (Shares) 3,000,000

STOCK	Previous Price	Latest Price
Allied Chemical & Dye (Common)	168⅛	164
American Can (Common)	92	88⅜
American Radiator (Common)	142	140
Anaconda Copper (Common)	70¼	70½
Armour & Co. (Illinois) 7% Pfd.	84½	85
American Telephone & Tel. (Common)	208¼	202¼
American Tobacco "B"	157½	157¾
Bank of Montreal	380	375
Bethlehem Steel (Common)	63⅜	61⅛
Bethlehem Steel, 7% Pfd.	122	121
Canadian Pacific Railway	215¼	207½
Canada Dry Ginger Ale	77½	75
Cerro de Pasco	68⅛	71
Coty Incorporated	162⅛	165
E. I. du Pont de Nemours (Common)	397	393
Fox Film "A"	88½	86
General Motors (Common)	201⅞	191
International Match, Pfd.	111⅝	112
International Product Corp.	78	78
International Nickel (Common)	92¼	87⅞
Ligget & Meyers, Class "B"	97¾	97
Mack Trucks (Common)	90⅛	88¼
Madison Square Garden	33¼	32
New York Central (Common)	185	180½
Packard Motor Car Co. (Common)	77½	73⅝
Phillips Petroleum (Common)	42	41⅛
Pacific Gas & Electric	48¼	53
Radio Corp. of America (Common)	190½	179½
Reynolds Tobacco, Class "B"	131¾	130½
Standard Gas & Electric (Common)	71¼	69¾
Schulte Retail Stores (Common)	60⅞	60¼
Southern Railway (Common)	162	160¼
Standard Oil of California	60⅛	59
,, ,, of New Jersey	45⅞	44¼
,, ,, of New York	38	36⅞
,, ,, of Indiana	79½	78¾
Texas Corporation (Common)	65	64⅝
Tobacco Products, Class "A"	120½	119¾
Union Carbide	152⅜	150¾
Union Pacific RR. (Common)	200⅜	198⅛
Wright Aeronautical	219	186½
United States Rubber, 8% Pfd.	76⅝	16¼
United States Rubber (Common)	42¾	41¾
United States Realty & Imp Co.	88	87
United States Steel	147	144
N. German Lloyd, 6%—1946	94½	94½
Shinyetsu Elec. Power Corp. 6½% 1952	93	94
General Cigar	67	66¼
Texas Gulf Sulphur	72¼	60
Lorillard Company (Common)	31¾	31¾

Chinese Government Railways

Peking-Hankow Line

"The Road Through the Heart of China"

For the safety of the travelling public, guard vans with armed police are provided for every train and more than 400 armed railway policemen are on duty at the various large stations.

To facilitate the passengers in making fast connections, local trains are run between Chengchow and Chang Teh and between Hankow and Kouang Choei.

To meet the demands of the travelling public, third class tickets are sold on the Special Express Trains running between Hankow and Chengchow with only a small additional charge.

For the comfort and convenience of the passengers, the Dining and Sleeping cars are newly embellished with all modern improvements.

For quick transportation of goods, many additional freight trains are scheduled under the supervision of our Traffic Department.

In spite of the urgent demand for troop trains, our regular trains are always operated on scheduled time.

TIME TABLE

TRAIN	DEPART FROM	ARRIVE AT
* 1 Express	Hankow (T.C.M.) Every Monday 10 P.M.	Chengchow Every Tues. 6:55 P.M.
+ 2 Express	Chengchow Every Thurs. 10 P.M.	Hankow (T.C.M.) Every Fri. 8:40 P.M.
‡ 5 Local	Hankow (T.C.M.) 6:10 P.M. Daily	Chengchow 6:43 A.M. Third Day
6 Local	Chengchow 7:15 P.M. Daily	Hankow (T.C.M.) 6:48 A.M. Third Day
51 Local	Chengchow 8:00 A.M. Daily	Chang Teh 5:00 P.M.
52 Local	Chang Teh 8:23 A.M. Daily	Chengchow 5:45 P.M.
74 Local	Hankow (Y.T.M.) 7:30 A.M. Daily	Kouang Choei 1:38 P.M.
75 Local	Kouang Choei 8:00 A.M. Daily	Hankow (Y.T.M.) 2:10 P.M.

REMARKS: *With First and Second Class Sleeping and Dining Cars. +Third Class tickets are sold on this train with a small additional charge. ‡With 1st, 2nd, 3rd Class Cars and Dining Cars.

Telegraphic Address "KINCO" Code A. B. C. 5th Edition. For further information, address Mr. C. H. Yang, Managing Director, Peking-Hankow Line, Hankow.

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In Construction: From Lingpao to Sianfu: 225 Kilometers

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The Lunghai and Pienlo Lines are connected at Hsuchow with the Tientsin-Pukow Railway and at Chengchow with the Peking-Hankow Railway.

An "Express" train runs thrice a week between Hsuchow and Chengchow leaving Hsuchow Monday, Wednesday and Friday, and leaving Chengchow Tuesday, Thursday and Saturday. This train is provided with 1st and 2nd class cars, sleeping and dining accommodations.

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Many tiffins are topped off with CAPSTANS

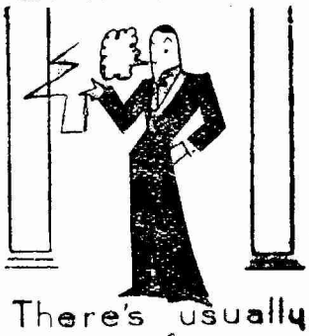
At afternoon tea the ladies appreciate the "good things"!

The greater the problem the greater the need for a CAPSTAN

If your tie won't tie keep your temper with a CAPSTAN

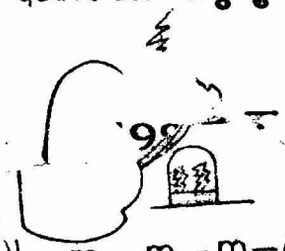
After dinner there's great satisfaction in a CAPSTAN

Prepare yourself for enjoyment — by enjoying a CAPSTAN



There's usually time for a CAPSTAN between the acts

After the show you can put a match to the CAPSTAN you've been longing for



Ah — m — m — m —! CAPSTAN are great ——!

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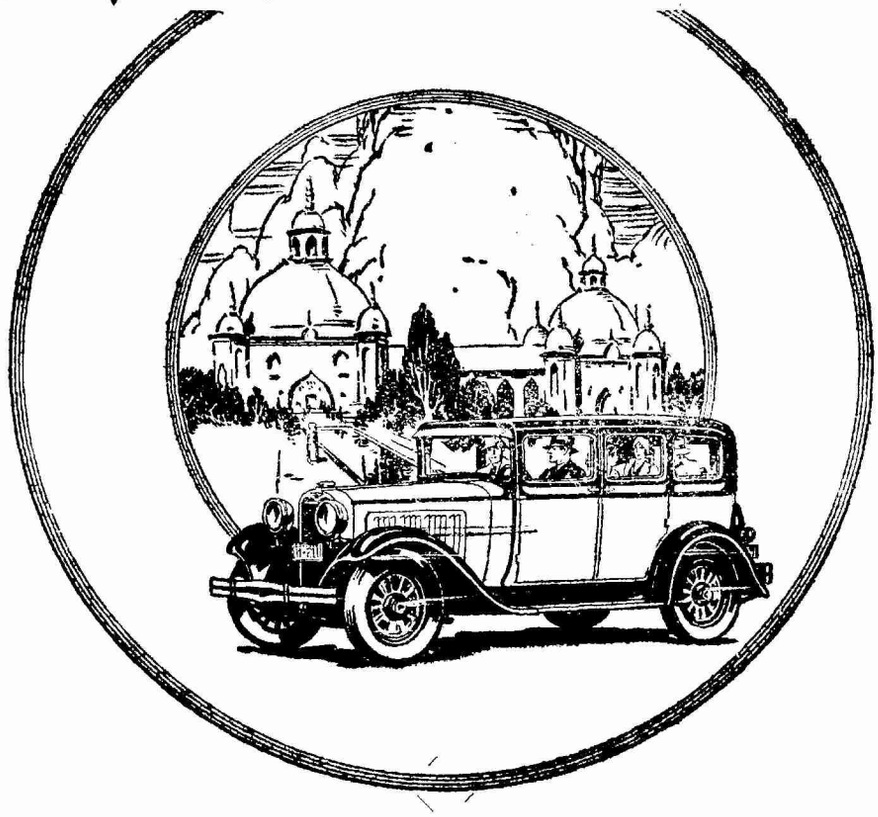

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MOTOR CARS

44-482

密勒氏評論報

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

中華郵政特准掛號立券之報紙

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YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE, POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES TEN DOLLARS U. S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA AND THE U. S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

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COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 4 AVENUE EDWARD VII, SHANGHAI, CHINA. TELEPHONE CENTRAL 4741. CABLE ADDRESS "REVIEWING SHANGHAI."

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JAPANESE PROTECTORATE OVER MANCHURIA?

BOTH FOREIGNERS and Chinese generally have interpreted the Japanese proclamations handed to the Chinese Northern and Southern Governments simultaneously on May 18 as amounting to the declaration of a Japanese protectorate over China's three eastern provinces of Sheng-king, Kirin and Ho-lung-kiang, popularly known as Manchuria. In many ways Japan's actions in respect to the present situation are not greatly different from her actions at the time of the presentation of the Twenty-One Demands of 1915, in that the Japanese Government only made public a portion of the demands made upon the Chinese. In the case of the recent declaration, the Japanese authorities only made public the general declaration referring to the maintenance of peace and order in Manchuria, copies being handed to the press in Shanghai by Mr. S. Yada, the Japanese Cónsul-General at Shanghai shortly after he had handed same to Mr. Hwang Fu the Nationalist Foreign Minister. The portion of the delaration which the Japanese authorities made public, was as follows:

"The life of the population in China is characterized by extreme unrest and distress owing to the constant disturbances which have now extended over many years; and in consequence of which foreign residents enjoy no assurance of safety in the pursuit of their occupations. It is, accordingly, the earnest desire of Chinese and foreigners alike that the disturbances should terminate, as soon as possible, in such a manner as may lead to the emergency of an united and peaceful China.

"Especially is this keenly hoped for by Japan, whose interests are specially and deeply involved, on account of her being China's nearest neighbor.

"The disturbances, however, now threaten to spread to the Peking and Tientsin districts, and it is feared that Manchuria may also be affected.

"The Japanese Government attach the utmost importance to the maintenance of peace and order in Manchuria, and are prepared to do all they can in order to prevent the occurrence of any such state of affairs as may disturb that peace and order, or constitute a probable cause of such disturbance.

"Under these circumatances, should the disturbances develop further in the direction of Peking and Tientsin and the situation become so menacing as to threaten the peace and order of Manchuria, the Japanese Government, on their

part, may possibly be constrained to take appropriate and effective steps for the maintenance of peace and order in Manchuria.

"It must be noted, however, that the policy of the Japanese Government, which consists in maintaining an attitude of strict neutrality towards the contending forces, remains unchanged in every respect, and that, should the course of events be such as to render the above mentioned measure imperative, the Japanese Government will, in respect of the time and method of its adoption, exercise due care to provide against any unfair consequences arising to either of the two opposed parties."

THEN in addition to this portion of the declaration which was handed to the press, the Japanese Consul-General at Shanghai handed to the Nationalist Foreign Minister a separate memorandum similar to a memorandum which the Japanese Minister in Peking, Mr. Yorhizawa handed to Marshal Chang Tso ling. This memorandum was approximately as follows:

1—If Marshal Chang Tso-ling will cease fighting and return to Manchuria immediately, the Japanese will exercise their good offices to prevent the Nationalists from advanching further northward than the Great Wall.

2—If Marshal Chang Tso-ling insists upon fighting and is defeated, the Japanese will take steps to prevent his defeated troops from returning to Manchuria.

3—In case Marshal Chang Tso-ling accepts the Japanese proposal for returning to Manchuria without further fighting and in future will cease meddling in the politics of China outside of Manchuria, the Japanese will not offer any resistance to his resumption of power in Manchuria. But in the event Marshal Chang Tso-ling should violate such an understanding, the Japanese will take steps to deal with the situation.

THE JAPANESE military authorities in Shantung have also presented five demands upon the Nationalist Government, which were covered in an ultimatum delivered to the Nationalist Commander-in-Chief by Gen. Fukuda on May 7, the demands being briefly as follows:

1—Punishment of high military officers who were connected with the Tsinan incidents.

2—Disarming of the whole Nationalist army which molested the Japanese at Tsinan, said disarming to be done in the presence of the Japanese troops in Tsinan.

3—Evacuation of all Nationalist troops stationed in Hsinchuan and Changchiachuan (near Tsian) within twelve hours.

4—Prompt cessation of all anti-Japanese propaganda.

5—Clearing of all Nationalist armies out of an area of 20 li (about 7 miles) about Tsinan and Tsingtao and a similar area alongthe Tsinan-Tsingtao Railway.

As a result of the Nationalist non-compliance with these demands, Gen. Fukuda, the Japanese Commander-in-Chief at Tsinan, ordered a bombardment of the walled-city of Tsinan on the early morning of May 8 and after a bombardment of two days, succeeded in killing or evicting the Nationalist troops and capturing the city. The Chinese casualties have not been accurately stated, but according to reports by foreign missionaries have been placed at 2,000 killed and a similar number wounded.

Have the Japanese Violated the Washington Treaty?

THE CHINESE in their various protests regarding Japanese activities in Shantung Province and in reference to the Japanese declaration pertaining to Manchuria, have frequently referred to the alleged violation by the Japanese of the Washington Conference Treaty. The treaty which the Chinese apparently have in mind is the so-called Nine-Power Treaty signed on February 6, 1922 between America, Belgium, the British Empire, China, France, Italy, Japan, Netherlands and Portugal "relating to principles and policies concerning China." It is only by an examination of Japan's present actions and public declarations, in the light of the content and purpose of this treaty that we are able to judge whether there has been a violation of the compact. The first article or preamble to this treaty was drafted by Hon. Elihu Root, a lawyer of international reputation who was one of the American delegates to the Washington Conference. A perusal of this article would seem to indicate that it was written for the particular purpose of covering Japan's present activities in North China for it reads as follows:

Article I

The Contracting Powers, other than China, agree:

1—To respect the sovereignty, the independence, and the territorial and administrative integrity of China;

2—To provide the fullest and most unembarassed opportunity to China to develop and maintain for herself an effective and stable government;

3—To use their influence for the purpose of effectually establishing and maintaining the principle of equal opportunity for the commerce and industry of all nations throughout the territory of China;

4—To refrain from taking advantage of conditions in China in order to seek special rights or privileges which would abridge the rights of subjects or citizens of friendly States, and from countenancing action inimical to the security of such states.

The second article of this treaty prohibits any of the Powers signatory to the agreement from entering into any arrangement with any other Power, "individually or collectively" which would infringe or impair the principles stated in the first article. This would seem to prevent the Japanese from entering into any secret treaty with any of the other Powers, covering the present Japanese activities in Shantung and North China Article III of the Treaty also seems to have a bearing on the present situation and reads in part as follows:

Article III

With a view to applying more effectually the principles of the Open Door or equality of opportunity in China for the trade and industry of all nations, the Contracting Powers, other than China, agree that they will not seek, nor support their respective nationals in seeking

(a) any arrangement which might purport to establish in favor of their interests any general superiority of rights with respect to commercial or economic development in any designated region of China;

(b) any such monopoly or preference as would deprive the nationals of any other Power of the right of undertaking any legitimate trade or industry in China, or of participating with the Chinese Government, or with any local authority, in any category of public enterprise, or which by reason of its scope, duration or geographical extent is calculated to frustrate the practical application of the principle of equal opportunity.

Article IV of the Treaty also has a bearing on the present situation as may be seen by a perusal of same, the text being as follows:

Article IV

The Contracting Powers agree not to support any agreements by their respective nationals with each other designed to create Spheres of Influence or to provide for the enjoyment of mutually exclusive opportunities in designated parts of Chinese territory.

The next two articles pertain to equality of treatment in the shipment of goods over the Chinese railways and to the respecting of China's rights as a neutral in the event of a war in the Far East to which China is not a party. The next, or Article VII, also has a bearing on the present situation, the clause being as follows:

Article VII

The Contracting Powers agree that, whenever a situation arises which in the opinion of any one of them involves the application of the stipulations of the present treaty, and renders desirable discussion of such application, there shall be full and frank communication between the Contracting Powers concerned.

The last two articles of the treaty contain provisions for obtaining adherence to the Treaty on the part of other Powers not present at the Washington Conference, and also provisions for ratification of the Treaty on the part of the proper legislative bodies of the various nations concerned. The last nation to ratify the Treaty was France, but it has been reported recently that Germany has announced her adherence to the Treaty, Germany not having been present at the Washington Conference. Soviet Russia is not a part to the Treaty, although the so-called Far-Eastern Republic of Siberia had unofficial representatives in Washington at the the time of the Conference.

When General-Baron Tanaka, the present Japanese Premier and concurrently Foreign Minister, announced the intervention in Shantung Province, he declared that the purpose was for the protection of Japanese lives and property. This statement has frequently been repeated since, together with a declaration that the troops would be withdrawn when the situation again became stabilized in the so-called disturbed area. The Japaness apparently feel they are on safe ground on this point, for while the right of one nation to intervene within the territory of another for the protection of the lives and property of their nationals, is a disputed point, the Japanese apparently feel that they can lead the world to believe they have justification owing to what happened in the Yangtsze Valley last year and also in view of the actions of the United States and Great Britain in landing marines and soldiers at Shanghai and Tientsin. However, there is a considerable difference between the position of the Japanese in Shantung and that of America and Britain at Shanghai and Tientsin, because of the presence of the American marines and the British soldiers within foreign concessions. There are no foreign concessions in Shantung Province, either at Tsingtao or Tsinan, both of these cities as well as the Tsinan-Tsingtao Railway being under exclusive Chinese jurisdiction. Foreigners have the right to own property and conduct trading operations at Tsinan and Tsingtao, but they have no political or administrative rights whatsoever.

In judging Japan's present activities in Shantung and elsewhere in North China and including the so-called Three Eastern Provinces of Sheng-king, Kirin and Ho-lung-kiang, from the standpoint of legality under the Washington Conference Treaty, one cannot base an opinion upon the Shantung intervention or the Tsinan incidents alone. The entire Japanese activity must be considered in the light of Japan's apparent objective, and herein we have evidence of undoubted violation of the Treaty. Readers of *The Review* who have followed this subject in recent weeks and months will probably remember discussions pertaining to certain demands which the Japanese have made upon Marshal Chang Tso-ling and the so-called Fengtien Government in Manchuria in recent weeks and months. Sufficient space is not available for a recapitulation of these demands, but briefly Japan has been taking advantage of Marshal Chang Tso-ling's predicament to enforce certain demands in Manchuria, most of which have to do with extensions of the monopoly of the Japanese Government-owned South Manchuria Railway. Strictly speaking these demands are all part of the notorious Twenty-One Demands of 1915 which Japan was not able to put over in their entirety owing to the opposition of the Powers, particularly the United States. Japan's first move in this direction was shortly following General-Baron Tanaka's assumption of office as Premier of the Japanese Government, Tanaka being a member of the military-smperialistic clique which was instrumental in the preientation of the Twenty-One Demands in 1915, the Nishihara loans to the Anfu military clique in Peking in 1918-1919, and the attempt to retain the old German interests in Shantung Province following the Paris Peace Conference. Owing to the friendly mediation of the American Government at the Washington Conference the Shantung Question was settled satisfactorily from the standpoint of China and the liberal elements in Japan and was immediately followed by the election of a more liberal Government in Japan and the formulation of a so-called "friendship" policy on the part of Japan toward China. But the Nanking incident in the spring of 1927 provided the military clique in Japan with an opportunity for getting back into power on the grounds that the previous government was not giving sufficient protiction to Japanese lives and property in China. General-Baron Tanaka was appointed Premier and in order to have a free hand in the management of Japan's foreign relations, he has never appointed a foreign minister and still holds that office concurrently with the position of Premier. The relations of China and Japan have been in an uproar since Tanaka assumed office for he immediately inaugurated a so-called "strong" policy by presenting certain demands upon Marshal Chang Tso-ling in Manchuria; authorized the intervention in Shantung last year which blocked Gen. Chiang Kai-shek's drive against the Northern generals, Chang Chung-chang and Sun Chuan-fang and nearly succeeded in overturning the Nanking Government.

Japan's present actions from the standpoint of treaty-violation therefore must be judged in the light of these various events and not from the standpoint of the single intervention in Shantung Province and the clash between Chinese and Japanese troops in

Shantung Province. The recent Note dealing with Manchuria which was presented simultaneously to the Peking and Nanking Governments, and which was immediately designated in both foreign and Chinese circles as tantamount to the declaration of a protectorate over Manchuria, may be classed as the culmination of Tanaka's policy and indicates most clearly the motive which have inspired the present Japanese Government since Tanaka came into power. General-Baron Tanaka and his supporters in the present Japanese Government, have but one objective and that is to take advantage of the present situation in China to establish Japan's undisputed control over Manchuria and her dominance in that part of China north of the Yangtsze River. The Japanese military clique has recognized all along that if Nationalism become predominant in China and the Nationalist Government succeeded in obtaining control of the whole country, Japan's so-called special interests on the Asiatic mainland, outside of Korea would have to pass. The Japanese intervention in Shantung Province is therefore nothing more than Japan's first line of defense from the standpoint of Manchuria. Her next line of defense is Peking and Tientsin, but here Japan must cope with the activities of the other Powers, particularly America and Great Britain which naturally circumscribes her activities. Therefore Japan now comes out in the open with the Manchurian Note to the Nanking and Peking Governments warning them both to stay out of Manchuria and at the same time presents certain demands upon Marshal Chang Tso-ling warning him regarding his future activities and finally the Japanese Government decides to intervene at Shanhaikwan, the point where the Great Wall reaches the Gulf of Chihli and the boundary between Chihli and Manchuria provinces. Japan has also given orders for the despatch of large forces of Japanese troops from her garrisons in the Kwantung leased area in Manchuria and in Korea to Mukden, the capital of Manchuria, while some 30,000 troops are being dispatched from Japan proper to Shantung and Chihli Provinces.

Therefore, in the light of Tanaka's public declarations and the actual despatch of troops, there can be little questioning the ultimate purpose of the Japanese Government—which is obviously a violation of the letter and spirit of the Washington Conference Treaty, a matter of serious international concern, but particularly the concern of the United States of America which country fathered the Washington Conference and which country has always held to the Open Door and Equality of Opportunity as cardinal points of American policy in the Far East.

Tanaka's Shantung Adventure a Failure From Every Possible Point of View!

JAPAN's investments in Shantung Province, exclusive of the 250 mile railway running through the province and connecting the Port of Tsingtao with the provincial capital at Tsinan, were recently announced by the Japanese Government as follows:

Yen	7,335,000	at Tsinan
Yen	1,211,000	„ Poshan
Yen	800,000	„ Changtien
Yen	331,000	„ Fangtzu
Yen	146,881,000	„ Tsingtao

Apparently the foregoing figures do not include the cost of the Shantung Railway which Japan surrendered to China after the close of the Washington Conference upon China's agreement to pay over to the Japanese the sum of Yen 40,000,000, the amount being spread over several years with interest at six percent. Just how much of this loan is still outstanding is not known, but obviously the Japanese still have a considerable financial interest in the line. Taking the Japanese figures covering investments in Shantung and excluding the Shantung Railway, we find the total to be Yen 156,558,000, of which sum Yen 146,881,000 is invested in Tsingtao. After deducting the Japanese investments at Tsingtao, we find the balance to be Yen 9,577,000, which is the amount of Japanese investments in the interior of the province. From the standpoint of population, the Japanese have about 20,000 of their nationals residing in Shantung, of which number about 8,000 live outside of Tsingtao along the Tsinan-Tsingtao Railway, some 2,000 being in Tsinan.

When General-Baron Tanaka, the Japanese Premier and concurrently Foreign Minister, dispatched troops to Shantung Province, he annouced that the purpose was to protect the lives and properties of Japanese nationals residing in the province. Excluding Tsingtao, which could easily have been protected by sailors and marines landed from the Japanese warcraft in the harbor, the Japanese residents which Tanaka desired to protect numbered 8,000 and the property was valued at Yen 9,677,000. This excludes the Japanese financial interest in the railway, it being obvious that the Chinese soldiers could not carry off the railway. When Baron Tanaka sent the first contingent of troops numbering 5,000 to Shantung, the Japanese Cabinet voted the sum of Yen 1,600,000 covering the initial expenses. Then later on after the Tsinan incident of May 3, the Japanese Cabinet voted an additional sum of Yen 13,000,000 covering further expenses. Therefore the actual cost to the present of the Japanese intervention in Shantung, from the standpoint of money amounts to Yen 14,600,000, which is only the beginning, for military activities on a large scale rapidly run into large sums.

Immediately after the Nationalist Government learned of Baron Tanaka's intentions to send troops back into Shantung Province, the Chinese protested and demanded the evacuation of the troops and suggested to the Japanese they should follow the precedent of the Americans and British in advising their nationals to evacuate. The Japanese refused to heed this advice and did not even evacuate their women and children from Tsinan which is located more than 250 miles inland over a railway which the Japanese military authorities must have known they could not protect. Well, the inevitable happened: Chinese Nationalist troops defeated their Northern enemies and then, flushed with victory, arrived in Tsinan, the Shantung Capital where they came face to face with the Japanese troops whom the Chinese people generally have come to look upon as supporters of Marshal Chang Tso-ling. Just who started the trouble probably will never be known, and actually it is not important. A serious clash occurred and latest reports place the casualties on the Japanese side at 45 soldiers killed, some 160 wounded, and some 15 Japanese civilians massacred. Japanese property

damages in Tsinan alone are estimated by the Japanese to be approximately Yen 600,000. The city of Tsinan has been changed from a prosperous trading center and provincial capital into a dead city and all trade is at a standstill, it even being difficult to obtain daily food necessities. Similar conditions prevail in the other trading centers along the Shantung railway where Japanese had business establishments and while there is a certain amount of activity at Tsingtao, it is mostly war activity incidental to the Japanese military movements. Business from a general standpoint has been reduced to necessities and Japanese firms are being strictly boycotted by the indignant Chinese.

It is always easy to be wise after the event, but in view of the foregoing it is difficult to appraise the Japanese military adventure in Shantung province from any possible standpoint except that of abject failure. The Chinese are now wrought up over the affair from one end of the land to the other and in addition the millions of Chinese residing abroad are as one in denunciation of the Japanese. Japanese trade losse must be monumental already and the anti-Japanese movement really hasn't started yet. So much for the financial and economic phases.

Aside from the money element, there are other important considerations. The Chinese generally have looked upon Japan's frequent intervention activities in North-China as having their primary purpose the supporting of Marshal Chang Tso-ling. The intervention at Mukden in 1924 when Marshal Chang Tso-ling's subordinate, Gen. Kuo Sung-lien, rebelled, was purely for the purpose of preventing the overthrow of Marshal Chang. The Japanese even surrounded Marshal Chang's Yamen in Mukden and prevented the Manchurian warlord from fleeing when he thought the jig was up. But the Japanese saw to it that Chang remained on the job and by forbidding the Kuo Sung-lien adherents from entering the railway zone, the Fengtien troops were able to suppress the rebellion without much trouble. Then last spring when Gen. Chiang Kai-shek was advancing into Shantung Province at the head of a victorious army, the Japanese again intervened and by keeping the Shantung Railway open, enabled the Northern generals, Sun Chuan-fang and Chang Chung-chang to reorganize their forces and drive Gen. Chiang Kai-shek's army back into Kiangsu Province and nearly led to the capture of Nanking by Gen. Sun Chuan-fang. Therefore, in view of Japan's past action, it is easy to understand the prevailing opinion in Chinese circles that one very definite purpose of Japan's re-intervention in Shantung Province was for the purpose of either blocking the Nationalist advance on Peking, or bringing the Nationalist Government to terms on various outstanding Sino-Japanese problems ranging all the way from the Manchurian question to the still-unsettled Nanking incident of last spring. In Peking the opinion among foreigners that the Japanese intervention in Shantung was for the purpose of preventing the defeat of Marshal Chang Tso-ling, has been quite evident, such expressions as "The Japs will never let Chiang Kai-shek through," being frequently heard everywhere.

Therefore, if it was a secret purpose of Baron Tanaka to prevent, or handicap the Nationalist advance on Peking, this move also proved an abject failure, for Marshal Chang Tso-ling according to latest reports is preparing to evacuate shortly and the Nationalistes will be in undisputed control of all Chinese territories this side of the Great Wall and Nationalist spirit and propaganda is rampant even in Manchuria where Marshal Chang Tso-ling's tenure is most precarious. There was a time immediately following the clash between the Nationalist troops and the Japanese at Tsinan, when the creation of a neutral zone by the Japanese had the effect of splitting Gen. Chiang Kai-shek's army, so that the Northern advance of the Nationalist forces was endangered. But both Chiang Kai-shek and Feng Yu-hsiang and their advisers, particularly Dr. C. T. Wang, saw the danger and immediately gave the order transferring the Northern advance from the Tientsin-Pukow to the Peking-Hankow Railway area and transferring Gen. Chiang Kai-shek's troops which had already crossed the Yellow River to the command of Feng Yu-hsiang. Whether rightly or wrongly, there was no question in the minds of either Chiang Kai-shek or Feng Yu-hsiang that the Japanese actions at Tsinan were directed largely toward either blocking the Nationalist advance or considerably delaying it. But the Japanese were not able to accomplish this owing to the fact that practically 60,000 of Gen. Chiang Kai-shek's troops were able to get past the Tsinan area and across the Shantung Railway before the Japanese enforced their neutral zone of 30 li about Tsinan and along the Shantung Railway.

Another and perhaps the most important element entering into the situation resulting from the Japanese intervention in Shantung has to do with the general relations of China and Japan. In *The Review* for May 5 there appeared an article dealing with Japan's so-called "cultural" work in China, telling of the extensive program which liberal elements in Japan have been developing for the purpose of placing the relations of China and Japan upon a sound basis of friendship. This movement was greatly accelerated by the Washington Conference which served to curb the military-imperialistic clique which has dominated Japan's foreign policies almost continuously since the restoration. The movement to "conquer China by friendship" as it is popularly called, has been manifested in many ways, one which has been through the use of a considerable portion of the Japanese balance of the Boxer Indemnity in so-called "cultural" work such as the construction and endowment of hospitals and so on. Another way has been throught the promotion of Pan-Asianism. It will be remembered that a series of conferences were held in Shanghai last November under the auspices of the Pan-Asiatic Society, the purpose being to bring about closer relations among Oriental peoples. This conference was attended by delegates from China and Japan, Korea, Afghanistan, Persia, India, Turkey and Siam, but chiefly by delegates from China and Japan who dominated the meeting. The conference was largely financed by the Japanese, but on the whole it proved rather stormy owing to the insistence of the Chinese upon the passage of resolutions demanding the withdrawal of Japanese troops from Chinese soil. However, the obstacle was surmounted and the conference concluded its work, but it was perfectly evident that the Japanese military activities on Chinese soil in cooperation with the European Powers at Shanghai and Tientsin and in the Yangtsze valley were a disturbing element. The Chinese, as well as the peoples of other Oriental nations are opposed to imperialism as practised by more powerful nations in this part of the world, but if they had to choose between European Imperialism and Japanese imperialism, the chances are that they would choose the European brand with which they are already familiar and which they recognize is now a passing phase owing to the weakend economic and financial condition of Europe as a result of the World War. Oriental peoples may have great respect and admiration for the modern

military greatness of Japan and her prestige among the nations, but this would not carry with it any desire to become subject to that military power. In which connection it may be mentioned that other Asiatic peoples probably remember that when Japan declared war on Russia in 1902, she stated in the declaration that one of the reasons for going to war was to maintain the *independence* of Korea. The other Asiatic delegates who attended the Pan-Asiatic Conference in Shanghai last November were also aware of the fact that the Japanese delegates refused to carry on with the meeting unless the Korean delegates were excluded.

It is thus probably correct to assume that the Japanese military adventure in Shantung Province is quite likely to increase the suspicion with which other Orientals already view the Japanese owing to Japan's past history of aggression at the expense of her less powerful neighbor. The clash between Chinese and Japanese troops in Shantung has thoroughly aroused the Chinese of all classes and there is a possibility that the present movement may become more far-reaching than the anti-Japonism which developed following the presentation of the Twenty-One Demands in 1915 and Japan's retention of Shantung after the World War, which finally resulted in so much international commotion that the United States called the Washington Conference and as a result of which Japan was forced to give China a square deal. It is altogether possible that we may have a repetition of the events from 1915 to 1922 in case Japan decides to remain in Shantung pending what Baron Tanaka claims be consider a satisfactory settlement of the Tsinan incident. From present indications Japan's actions are proving a god-send to the Chinese Nationalists for it has simplified the defeat of Marshal Chang Tso-ling and has served to unify China at a time when the domestic situation was most precarious. In all probability the Chinese will not hasten to settle the Tsinan incidents because of the obvions fact that it provides a most convenient rallying point for holding the country together against the common enemy.

Finally, there seems to be only one place where General-Baron Tanaka's policy has been successful; that is in maintaining himself and his party in power in the Japanese Government. When Tanaka first announced the Shantung intervention, both the Chinese Nationalists and liberal elements in Japan were quick to see in it a move for strengthening Tanaka's position in his own country. The Japanese press was almost unanimous on this point, calling attention to the fact that Tanaka's poition was precarious and that he was evidently trying to raise a smoke-screen in order to obscure the serious domestic situation which resulted from the last election. This is an old story in Japanese domestic politics. Prior to the passing of the last American immigration act barring the entrance of Japanese laborers, the Japanese military party always raised the bogey of American aggression to put through their big military and naval programs and keep the heavily taxed Japanese people quiet. Now the Japanese military-imperialistic clique is using the China question for a similar purpose and again with apparent success for because of the Tsinan incidents, Tanaka was able to surmount the fight in the Diet which threatened to force a resignation of his government. Thus he has established himself in power for a few months longer or at least until the next meeting of the Diet during the coming winter. This, however, can be nothing more than a brief breathing space, for Tanaka's policy is bound to fail in the end and in failing may bring down the whole Japanese structure in a domestic revolution. It is obvious that the Japanese people will not much longer put up with a type of autocratic government which has been overthrown in other parts of the world.

General-Baron Tanaka and his associates in the Japanese War Office will argue that their action in despatching troops to Shantung was justified in view of what happened at Nanking, Hankow and Kiukiang last year. He may be perfectly correct in this viewpoint, but he overlooks the important fact that both the American and British Governments last spring advised their nationals to evacuate to places near the coast or navigable rivers where they could be protected without serious complications with the Chinese. When Tanaka gave the order for the stationing of a comparatively small force of Japanese troops numbering 2,300 at Tsinan, in the interior of Shantung Province, he displayed either a woeful ignorance of conditions in China, or on the other hand took the action deliberately for the purpose of creating trouble. No military man of intelligence would send a small force into a potentially hostile country unless he was certain of his ability to protect the line of communications. The Japanese General Staff, owing to its close knowledge of the Chinese situation must have been aware of these factors. When the Nationalist revolution struck the Yangtsze Valley last year the Japanese did evacuate their nationals from places they could not defend and after the trouble subsided, the Japanese Government made an appropriation of a considerable sum of money for the purpose of enabling the Japanese merchants to return to their stations. Therefore, one would ask: Why didn't Tanaka follow a similar course this spring in respect to North China, unless, as stated above, there was some ulterior purpose in the dispatching of troops to Tsinan which was not associated with the actual protection of the lives and properties of Japanese subjects. The fact that the Japanese press is now attacking General-Baron Tanaka for a monumental blunder, would seem to confirm the conviction which is gaining strength abroad, that Tanaka's intervention in Shantung was intimately connected with the die-hard policy of the military-imperialistic clique in Japan which has never given up the idea of establishing a military domination over China or at least that part of the country north of the Yangtsze River, a policy exemplified in the notorious Twenty-one Dunands of 1914 and numerous other ways since that time.

Was Chang Chung-chang Responsible for Japanese Intervention?

The Chinese *Kuo Wen* news agency on May 17 circulated a dispatch under a Tsingtao date-line alleging that Gen. Chang Chung-chang, the former "bandit-tupan" of Shantung Province was directly responsible for the despatch of Japanese troops to Shantung Province under the guise of "protecting" Japanese lives and interests. The *Kuo Wen* report stated that the Nationalist Government has obtained possession of letters written by Chang Ying-kwei, Minister of Communications at Peking severely criticising Gen. Chang Chung-chang for his repeated telegrams to the Ministry of Communications at Peking demanding that the Peking Government extend facilities for the transportation of Japanese troops over the Chinese Government-owned Tientsin-Pukow Railway from Tientsin to Tsinan.

In addition to this letter it is also stated that the Nationalists have obtained possession of another letter which was written by Dr. V. K. Ting, former Mayor of Shanghai under Gen. Sun Chuan-fang, in which Dr. Ting states that Chang Chung-chang had promised the Japanese special rights in Shantung Province if the Japanese would intervene to prevent the Nationalist forces under Gen. Chang Kai-shek from entering Shantung Province and overthrowing Chang Chung-chang.

The Japanese Side of the Story

The following items are brief summaries of news reports sent out by the semi-official Japanese Toho News Agency, dealing with the Tsinan affair and succeeding events, the summaries herewith being a continuation of similar reports appearing in The Review on May 12 and 19:—

Tientsin, May 15—Authorities of foreign concessions here greatly strained as result of falling back of Fengtien forces and Japanese garrison busily engaged in constructing sand-bag barricades and barbed-wire entanglements about their concession.

Tokyo May 16—In view of the fact that the Nationalist Government has appealed to the League of Nations, the Japanese Government has decided that it is necessary to make a report on the real facts and send a report to Geneva. Japan will notify the League that in view of the developments at Nanking last year, the presence of Japanese troops in Tsinan was justified.

Peking, May 16—C. C. Wu, Hu Han-ming and Sun Fo telegraph to Lo Wen-kan, Peking Foreign Minister urging Peking to also lodge a protest with the League of Nations; believed Peking will comply.

Tokyo, May 16—Lieut-Col. Toichi Sasaki, Japanese Military Attache at Nanking, who was maltreated by the Chinese soldiers at Tsinan, arrives at Tokyo to make report.

Tokyo, May 16—Mr. Nakayama, Secretary of the Foreign Office and Major-General Hata of the General Staff, arrive in Tsinan for investigation.

Tokyo, May 16—Japanese Government held extraordinary Cabinet meeting today to consider the Peking and Tientsin situation and the matter of safeguarding Japanese "Special rights" in Manchuria.

Tientsin, May 16--It now transpires that the powerful Southern troops under Gen. Chiang Kai-shek, which fell back after the Tsinan affair, have now crossed the Yellow River at Tunga and are now advancing northward along the Tientsin-Pukow line.

Tokyo, May 16—The Japanese Emperor and Empress have ordered the Imperial Household Department to supply artificial arms and legs to all Japanese who lost limbs in the Tsinan affair.

Tsinan, May 16—Gen. Chiang Kai-shek has addressed a telegram to Gen. Fukuda, Japanese commander at Tsinan, expressing a desire to see him; Gen. Fukuda has not replied.

Tsinan, May 16—Mr. Nakayama, secretary of the Japanese Foreign Office, who arrived here for making preparations to open negotiations with the Chinese, is now investigating the Tsinan affair,

Tsinan, May 16—It is reported here through Japanese sources that cavalry corps belonging to Feng Yu-hsiang's army was organized and trained by Soviet Russian officers and each regiment is headed by two Soviet officers and 400 directors.

Peking, May 16—Eleven Japanese women and children arrived here today from Kalgan.

Tsingtao, May 16—Mr. Nishida, acting Japanese Consul-General at Tsinan, stated today that he had been told by the American Consul at Tsinan that the American Consul had investigated the results of the Japanese bombardment of the Tsinan walled city and stated that the damage suffered by the Chinese was slight.

Tientsin, May 16—The Japanese troops which were dispatched from Tientsin to Tsinan prior to the Sino-Japanese clash, were returned to Tientsin today.

Tokyo, May 17—The five companies of Japanese troops ordered to North China left Moji for Tientsin today on the *Kanan Maru*.

Tsinan, May 17—Order in Tsinan is being gradually restored and Chinese shops are reopening. Discovering that many Southern soldiers are still in the city disguised as policemen and intriguing against the Japanese, the Japanese troops are adopting extraordinary precautions against Southern 'plain-clothes' men in the city,

Tsinan, May 17—An investigation has disclosed that the Chinese Foreign Affairs Bureau in the walled city of Tsinan, was used as a base for Southern troops and 'plain-clothes' men and that a large quantity of 'dum-dum' bullets were found in the premises.

Tsinan, May 17.—Col. Kuroda, chief of staff of the Japanese army in Tsinan said today that he believes the Southern military authorities are desirous of settling the Tsinan affair as early as possible, owing to Gen, Chiang Kai-shek having sent a telegram to Gen. Fukuda. But Gen. Fukuda has replied that while the Japanese are anxious to negotiate, they cannot do so by wireless. Gen. Fukuda has notified Gen. Chiang that China must accept the five Japanese demands and also that the Tsinan incident must be settled by negotiations between the military commanders and not through the diplomats on either side.

Tokyo, May 17.—The War Office stated today that in view of the imminence of military activities in the Tientsin and Peking areas, the Japanese War Office has decided to despatch one infantry regiment and one field-gun battallion of the 3rd Division and one company of the 4th flying corps to Tientsin; War Office also decided to withdraw the 28th infantry brigade and parties attached thereto from Shantung and send them back to Manchuria.

Shanghai, May 17.—According to reports from Japanese sources in Peking, the Chinese press in that city is printing wild rumors and causing the public mind to become agitated; also printing attacks on the Japanese and copies of anti-Japanese resolutions passed by Chinese organizations; Chinese members of the Sino-Japanese 'Cultural Works Bureau' have announced their intentions to resign; even the Rockefeller Medical college hoisted its flag at half-mast; copies of the Japanese-owned Chinese vernacular paper are not permitted to be sold on the streets; considered that anti-Japanese sentiment is being artificially worked up by Chinese politicians.

Tokyo, May 17.—A conference of various economic organizations has been called to meet in Tokyo to consider the question, "How to effect peace and unification of China," and measures to be taken by Japan in reference to China's demands for tariff autonomy. The Conference will also discuss the question of a general Japanese policy and the Manchurian and Mongolian questions.

Tokyo, May 17—When questioned by 45 representatives of the Osaka Chamber of Commerce regarding the Japanese army expenditures in connection with the despatch of troops to China, Mr. Mitsuchi, Finance Minister stated that the Finance Department had passed the appropriations for three months expenditures only, as the Government does not expect the crisis to last longer than that period; said Government sees no necessity for calling a special session of the Diet over the question of further army disbursements.

Tokyo, May 17—An official telegram from Tsinan today states that "small lootings" are still being carried out by outlaws and that more than 100 Chinese houses have been ransacked; necessary for Japanese authorities to adopt strict precautions.

Tokyo, May 17—Owing to the threatening situation in Peking and Tientsin, Lieut-General Suzuki, chief of the general staff repaired to the Throne and obtained Imperial sanction for the despatch of a part of the 3rd Division and a flying corps originally destined for Shantung, to be diverted to the North to protect Japanese residents and their property at Peking and Tientsin.

Tsinan, May 17—Mr. Nishida, Japanese acting Consul-General at Tsinan notified the leading Chinese residents today that Gen. Fukuda, the Japanese commander-in-chief has appointed Major-General Saito commander of the 11th Japanese Brigade as defense commissioner in the Tsinan area temporarily with the object of assisting the Chinese Chamber of Commerce and temporary Chinese police bureau in the maintenance of order in the walled city at Tsinan. The Chinese expressed gratification at the notification.

Shanghai, May 18—Mr. Yada, Japanese Consul-General at Shanghai today handed a memorandum to Hwang Fu. Nationalist Foreign Minister warning the Chinese against carrying the war into Manchuria, saying in case the warning is disregarded, that Japan will be forced to adopt "special measures."

Hongkong, May 18—Some 72 Chinese firms in Canton have banned together to carry out a boycott of Japanese goods and it is said that a picket corps is shortly to be organized similar to the practice in the anti-British boycott; Chinese merchants asked to voluntarily cease dealing in Japanese goods.

Tokyo, May 18—In view of the possibility of the civil war endangering Japan's "vested rights" in North China, Japan has decided to issue a warning to Marshal Chang Tso-ling and Chiang Kai-shek in this connection.

Peking, May 18—Ko Shan-feng, chairman of the Committee on Japanese Cultural Work in China, tendered his resignation today, saying that he could not remain in office "when the Chinese people in Shantung are greatly dissatisfied with

the Japanese." Reported all other Chinese members will withdraw from the Committee.

Tokyo, May 18—In accordance with decision reached at a Cabinet meeting today, the Government has decided to issue a statement to both Peking and Nanking emphasizing the necessity of maintaining peace and order in Manchuria; General-Baron Tanaka invited the British, American, French and Italian Ambassadors to the Foreign Office and handed them a similar statement.

Hongkong, May 18—Since the Tsinan affair, Chinese sentiment toward Japan has been growing worse and acts of violence against Japanese such as stone throwing and beatings frequently occur; Chinese students smash windows of the Morita Shoten, a Japanese shop; anti-Japanese hand-bills being distributed at night.

Peking, May 18—Yoshizawa issues full statement of Note of Peking Foreign Ministry dealing with despatch of Japanese troops to China since the Tsinan incident, stating object not different from first despatch of troops and that they will be withdrawn when situation quiets down. Peking Government replies expressing regret that Tsinan incident made excuse for sending more troops and demands withdrawal and reserves right of lodging future claim for damages.

Tsinan, May 18—First-class Japanese private, Kawajini of the Japanese machine-gun corps, sniped and killed here today while scouting about the area outside the walled city.

Hongkong, May 18—Chinese students storm the Okada Yoko, a Japanese store in Kowloon and smash windows; thus far no looting of Japanese shops, the Chinese students only breaking windows.

Tientsin, May 18—In view of the "imminence of the situation" the Japanese living outside of the Tientsin concession are now taking refuge within the Concession; Government rents warehouse to accommodate them.

Peking, May 18—Number of Japanese evacuating Peking and Tientsin rapidly increasing, most of them going to Dairen.

Peking, May 18—Serious unrest prevails among the Chinese employes of the Kiaochow-Tsinan Railway and a general strike is threatened.

Peking, May 18—Acting on instructions from Tokyo, Mr. Yoshizawa, Japanese Minister called on Chang Tso-ling today and handed him a statement. Yoshizawa advised Chang to withdraw outside the Great Wall before the disturbances spread to Peking and Tientsin, and to devote his time in future to the maintenance of peace and order in Manchuria; Chang Tso-ling said to have replied that since the military situation is now developing favorably for his troops, he has decided to remain and fight.

Tokyo, May 18—Since the Japanese Government now believes the disturbances in the North to be unavoidable it has instructed Lieut-General Muraoka, commander of the Japanese forces in the Kwantung Leased Territory of Manchuria, to move the 40th Brigade from Ryushan, Korea to Mukden, China.

Tsinan, May 18—After a prolonged conference an organization called the "Tsinan Temporary Peace and order Maintenance Committee," has been formed to take charge of the temporary administration of the Tsinan district.

Hongkong, May 19—The Daibutsu Yoko, another Japanese store, near the Central Police Station was stormed by Chinese students and windows broken; one student arrested was fined $8 with $92 damages,

Peking, May 19—Shortly following the receipt of the Japanese Marshal Chang Tso-ling called a military conference including Yang Yu-ting, Chang Hsueh-liang, Sun Chuan-fang, Chang Tso-hsiang, and others; reported Marshal Chang is opposed to obeying the Japanese ultimatum, but stated that his subordinates favor acceptance; Chang calls another conference immediately afterwards.

Peking, May 19—Gen. Yang Yu-ting, following the Fengtien Staff Conference on the Japanese Note, hands Japanese official reply stating that in view of the war situation it is difficult for Chang Tso-ling to accept the Japanese advice and withdraw from Peking and Tientsin since that would entail great loss; furthermore the state of the war cannot be foretold and might turn in favor of the Northern forces; that Feng tien does not wish to continue the war but is forced to do so by the attacks of the Southerners; therefore if Japan could seek a way to induce the Southerners to cease attacking, Fengtien might comply with Japan's advice.

Tsingtao, May 19—Gen. Liu Hei-chi's troops, formerly bandits, which committed outrageous acts at the time of the disturbances at Tsinan, forced their way into Poshan, flying Nationalist flags. As these troops are stirring up anti-Japanese feeling, the Japanese residents in that area are panic-stricken; therefore the Japanese troops stationed there are adopting extraordinary precautions.

Tientsin, May 19—Five companies of the 12th Division at Kurume, which were recently ordered to China to relieve the troops stationed in North China, arrived here today. Of these troops, two companies will proceed to Peking and one company to Shanhaikwan and two will remain in Tientsin.

Tsinan, May 19—Mr. Nishida, Acting Japanese Consul-General at Tsinan invited the other foreign consuls in Tsinan to his official residence and explained to them the details of the cause of the Tsinan incident and Japan's attitude toward the affair.

Tokyo, May 20—Japanese War Office receives report that 30 Chinese bandits in uniforms cross Yalu River to Kodo, Korea and raid the Japanese police station, killing one policeman and six civilians and wounding six others; bandits escape.

Tokyo, May 20—Newspaper *Hochi* opposes Chang Tso-ling's withdrawal to Manchuria, saying it would be serious matter for differences to arise between Chang and Japan, and that the Japanese Government should advise Chang Tso-ling to retire altogether.

Peking, May 20—It is reported here that in accordance with instructions from the Japanese Government, Major-General Tatekawa, military attache to the Japanese Legation in Peking, has notified Chang Tso-ling that in the event his troops are routed they will be disarmed by the Japanese at the Great Wall before returning to Manchuria.

Tokyo, May 20—Japanese Emperor orders Rear Admiral Imamura to China to inspect conditions among Japanese officers and men in China.

Peking, May 20—Fengtien officers and politicians hold another conference on Japanese recent demands, meeting attended by Chang Hsueh-liang, Yang Yu-ting, Yu Kuo-han, Premier Pan Fu and others, and decide that the Fengtien troops will continue opposition to the Nationalists, pending the clarification of the Nationalist attitude regarding the Japanese Note; generally the Fengtien officers think it better to fight than to "destroy themselves without doing anything," in view of the Japanese threat to disarm them at the Great Wall; Yang Yu-ting and Chang Hsueh-liang immediately depart for Paotingfu front.

City Wall of Nanchang Being Used to Build Roads

A correspondent at Nanchang, the capital of Kiangsi province, states that the old wall around the city is being torn down and the material is being used to make a bunding along the Kan river and to build a sixty-foot-wide boulevard entirely around the city. Several of the city streets are being widened from the average of about ten feet to 20 or 40 feet wide. The city authorities have drawn up plans for the new roads. Provision is also made for straightening some of the roads and this will require cutting through private property. One of the new roads will take a slice of about 20 feet from the Y. M. C. A. residence compound. The land which is required for road purposes will be confiscated.

Bill to Increase U. S. Court Salaries Sponsored by Congressman Dyer

A bill to increase the salaries of the officials of the United States Court for China, has been introduced by Congressman L. C. Dyer, who visited China last year. President Coolidge sent a special message to Congress recommending the legislation. There are prospects that the bill will be passed during the present session. It provides for the following salaries: Judge, $10,000 per annum; district attorney, $6,000; marshal, $4,000; U. S. Commissioner, $5,000. The proposed salaries will mean an increase of about 25 per cent.

General Hwang Fu Resigns as Minister for Foreign Affairs

General Hwang Fu, who assumed the office of Minister of Foreign Affairs in the Nationalist Government about three months ago, suddenly resigned his office May 23. He wired his resignation to Nanking on that date on his arrival in Shanghai from the Nationalist capital. In his letter of resignation, General Hwang stated that he might not have the required confidence at large and be unable to live up to the expectations of his appointment.

China's Appeal to World Public Opinion

Chinese organizations not only in China but abroad, continue to issue manifestoes and protests against the Japanese occupation of Shantung.

The faculty of the National Central University at Nanking and the faculty of the University of Nanking sent telegrams in their joint names to many prominent publicists and newspapers in the United States and in England, in which among other things it was stated: "Although the Nationalist government have exercised the utmost restraint and made every effort to avoid conflict and maintain peace in the Far East, Japanese troops are still pouring into China. The situation is extremely tense and grave, with what consequences we cannot predict".

The faculty committee of Nanyang in their protest said: "We maintain that the measures taken by the Japanese government in sending 30,000 troops to Shantung to protect a few hundred Japanese residents in Tsinan is entirely unwarranted and unnecessary. We hope the nations of the world will rise and see to it that the Japanese government is held responsible, in the interests of justice and humanity."

The Tsing Hua Students Association in the course of their protest regarding the Tsinan incident said: "In the matter of armed forces Japan is stronger than China. She forces her way into the Chinese house in spite of protests. Once inside she behaves with the insolence of conquerors and when the Chinese object to such uncivilised conduct the Japanese invaders kill the Chinese inmates, destroy the furniture and the house, all the time shouting to the world that they are doing this in order to protect themselves! If the Japanese had but one dim sense of justice, one touch of humanity, they would have respected the sanctity of Chinese soil, the right of every man to his own house. But the Japanese are brutes. The result is the Tsinanfu incident. Japan will try to throw dust into the eyes of the world by emphasizing the importance of mere details, but no sweet scented propaganda can change the fact that it was Japan's violation of elementary human rights which is the cause of the whole affair."

The teachers and students of the Central Party Training College of the Kuomintang at Nanking in a mainfesto said: "We appeal to the conscience of all right-minded peoples of the world for the vindication of justice and humanity and hope that your interest in the welfare of humanity will not permit the world peace to be jeopardised by this international outrage and inhuman conduct on the part of the Japanese Government with sinister motives. We earnestly ask for your moral support in our efforts for self-defence against ths aggressive action on the part of Japan. We strongly urge that the world will condemn Japan for the barbarous acts committed by her troops in Tsinan and demand the immediate withdrawal of all the Japanese troops from Shantung."

Japan Has Torn up the Nine-Power Treaty

Dr. C. H. Kan, Commissioner of Foreign Affairs at Hankow, in the course of a statement issued on the Shantung Affair last week, stated:

"The Shantung Affair, since the seizure by Japan of the railway and the city of Tsinan, cannot fail to raise the question as to what the Japanese are planning to do in Shantung. Since the presentation of the Twenty-one Demands, Japan has never ceased to consider the province of Shantung as a Japanese sphere of influence. During the Washington Conference, the public opinion of the world compelled her to return to China the former German leased territory of Kiaochow, the Tsingtao-Tsinanfu Railway and to withdraw Japanese troops along the railway. To presume that this arrangement has permanently settled the dispute between China and Japan with regard to Shantung, as is expected by the friends of both, is soon proved to be a vanishing hope.

"Japan is a party to the Nine Power Treaty. But what have the Japanese been doing in Shantung? They have occupied the Tsingtao-Tsinanfu Railway and the city of Tsinan. They have acted as if, wherever they go in China, they are the masters of the place—they may occupy and fortify the place and they may even seize the railway, because it is the line of communication necessary for their transportation, and also the adjacent cities and towns, because they will feel less disturbed when they are not in the hands of the Chinese. The Japanese cannot think of doing a thing like this, if they still have any respect for the sovereignty, the independence, and the territorial and administrative integrity of China.

"The dominant aim of the Northern Expedition of the Nationalist Army is to put an end to the internal warfare and to erect an effective and stable government for China. The military intervention of Japan is a serious obstacle to her political unity and a strong centralized government in China will not be possible until Japan keeps her hands off Chinese internal affairs. Furthermore, the Japanese government, taking advantage of the desperate struggle of the Nationalist Army with the northern militarists, have established, in Shantung, a regime contemplated in the Twenty-one Demands.

"Now that the Nine Power Treaty has been torn to pieces by a signatory without whom the treaty may not have been necessary, it indicates to the world that despite the efforts of the Washington Conference to stabilize the conditions in the Far East, Japan will remain a menace to the rights of China and a disturber of peace of the Far East."

The faculty of the Honan Chung-San University at Kaifeng, broadcasted a telegram under date of May 16, as follows:—"Concerning the despatch of Japanese troops to Shantung, Japan has not only violated the sovereign rights of China but materially interfered with the cause of the unification of China. When Japanese soldiers mutilated and murdered the Commissioner of Foreign Affairs, massacred his staff and many innocent civilians and bombarded the untortified city of Tsinan diplomatic usages have been broken and the sense of humanity has been outraged. In addition to these injuries, Japan has insulted China by making demands on China for the establishment of Japanese Garrisons in Shantung and a neutral zone along the Kiaochow-Tsinan Railway. All public and level-headed citizens of the world are hereby requested to judge the merits of the case for the sake of justice and humanity."

The Sino-Japanese Clash at Tsinan

The student body of Peiyang University, Tientsin, in a circular letter, stated:—"The behavior of the Japanese troops despatched to Tsinan was distinctly reprehensible. Their excuse for starting hostilities was that the Chinese soldiers had began looting. Even were their words to be accepted as unqualified truth, does looting by a few soldiers justify sweeping the country side with machine-gun fire, training big guns upon government buildings, murdering Tsai Kung-hsi, and butchering his whole staff? These facts the Japanese have been careful to suppress in the canards they sent abroad. For some years past Japan has been adopting an aggressive policy towards China, as instanced by the annexation of Korea and the presentation of the Twenty-one Demands. Owing to our present weakness, she may regard our resentment as of little importance to her. But will her position as a world power always remain superior to that of China? Dame Fortune is well-known to be a fickle mistress. The proudest empires are not exempt from reverses, and a country that is divided by civil strife may find salvation through her very affliction. Should Japan therefore, persist in her aggressive policy towards China, a day may come when she may repent of having made an enemy of a neighboring country."

Protests From Abroad

The Chinese residents in Magdaleno, Mexico. dispatched a telegram from Nogales, Mexico, end of last week to the Nationalist Government at Nanking, reading as follows;—Insurgent Japanese burn and kill at Tsinan. All Chinese residents here, with bitter hatred, against the Japanese beg our Government to carry on the strict opposition, and we swear to back up the Government.

The Overseas Bureau of the Ministry of Foreign Affairs has received a telegram from its adviser, Chen Chew-kit, stating that he had been instructed by the Chinese Association at Panama to protest against the Japanese invasion at Shantung and declaring their intention to support the Nationalist government by boycotting Japanese merchandise and shipping.

The Chinese labor unions of Burmah also sent a telegram to the Government Council and Commanders-in-chief of the Northern Expedition armies, through the Overseas Bureau of the Ministry of Foreign Affairs, in which they said: "It is incomprehensible that Japan should enter into a conspiracy to invade our province of Shantung. We urge the Government to take strong action in dealing with the case until a satisfactory result is obtained."

Japan's Share in China's Import Trade

Out of a total of Tls. 1,144,646,971 of cargo imported into China last year, the share of the principal supplying countries was as follows:—

Japan (including Formosa)	Tls. 336,909,441
United States	187,687,086
Great Britain	116,269,419
Hongkong (British port, but much of this cargo is of Chinese origin)	124,472,673

A Customs tael (abbreviated Tls.) is on an average worth U. S. $0.70.

American Note to the Nationalists

John Van Antwerp MacMurray, American Minister to China last week handed official notes to the Peking and Nanking Governments dealing with the matter of protecting the lives and properties of American citizens residing in North China. No copies of the Notes were issued to the press, but according to translations appearing in the Chinese press the Note to the Peking Government was approximately as follows:

"The civil war in China has now reached a crisis in North China and as there are a number of Americans residing in North China, the American Government is under obligation to take all necessary steps for the protection of their nationals. The American Government, in cooperation with other Powers, has therefore taken certain protective steps in the vicinity of Tientsin where most of the Americans in North China reside and the Chinese Government is requested to prevent Chinese troops from invading these areas. The purpose is to prevent the possibility of misunderstanding. In case it should become necessary to despatch troops to this area, the Chinese troops sent should be well disciplined and the American authorities would appreciate a previous notice to this effect. The American Government, in issuing this statement, wishes to emphasize that it has no intentions whatever of interfering in the internal affairs of China."

It is understood that the Note presented to the Nationalist Government, which was handed to Hwang Fu, Minister of Foreign Affairs by E. S. Cunningham, American Consul-General at Shanghai, was similar to the Note presented to the Peking Government with the exception that the Nanking Note referred to the killing of two American missionaries, Dr. Seymour at Tsining and Mrs. Hobart at Taian.

Mr. Timperley Discusses the China Famine Relief Drive

"I would like to assure Mr. Gilbert as one journalist to another firstly that a very acute famine does exist in Shantung, secondly that in many districts it is due just as much to natural causes as to political conditions, and thirdly that the need for unstinted foreign charity is very pressing and very real."

The above is part of a message from H. J. Timperley, when he was in the Shantung famine area making a special investigation. The message was sent to the China international famine relief commission in Peking, with the request that it be circulated.

Mr. Timperley, in the course of his message, also said:—"My attention has just been drawn to a despatch from Rodney Gilbert published in the *North China Daily News* of April 20 in which he suggests that responsible Americans in Peking deplore the campaign in America to raise G$10,000,000 for famine relief work in China, chiefly because in order to succeed the appeal to the American public must be made for relief of a famine which, according to the written definition of the China famine committee, does not exist.

"All I can say after returning from a four-day tour of investigation of the affected regions of western Shantung is that it is high time the China famine committee revised its rules.

"I am sure that even Mr. Gilbert and his Doubting Thomases would have been convinced of these things if it had been possible for them to have accompanied me on my recent trip. I find it difficult to imagine who Mr. Gilbert's 'responsible Americans' can be but I appeal to them and to him at least not to hinder if they don't care to help in the work of mercy some of their more philanthropically minded compatriots are endeavoring to initiate. I suggest before condemning the campaign out of hand that they might invite the American legation to use its official machinery to test the accuracy of my conclusions."

The remarks by Rodney Gilbert which brought this response from Mr. Timperley, were published in the *North China Daily News* of April 20, and carried a Peking date line of the previous day. Mr. Gilbert's remarks were in part as follows:

"American opinion here, not allied with mission interests, strongly opposes the proposed campaign in America to raise G. $10,000,000 for road building and conservancy under the guise of famine relief. The promoters of this scheme in New York are giving the impression that it is endorsed officially and by the China famine committee, which formerly handled American relief funds here. Both these statements are untrue. The commiftee with some hesitation endorsed the plan to raise a million dollars for the Shantung relief fund, but it has not passed on, and is not likely to endorse the present scheme, while legation approval has not been elicited."

Commenting on the subject, the *Peking Leader* says:—"Not only Mr. Timperley's reports but information from many other sources amply demonstrate that a state of famine well within this definition does existin Shantung and southern Chihli, responsible authorities point out. The total area affected is some seventy contiguous hsien. Well over seven-tenths of the people are suffering, and much more than one-third are reduced to a state of misery and destitution. Military oppression has aggravated the situation. But natural causes —in this case prolonged drought—would bave brought famine conditions in any case."

National Educational Conference Meets at Nanking

The National Educational Conference, under the auspices of the National University Council, held the first of a series of sessions at Nanking May 16. Besides guests, a large gathering of provincial delegates and representatives from various government and party organs were present, including Generals Tan Yen-kai and Li Lieh-chun of the Government Council, Dr. H. H. Kung, Ministry of Industry and Commerce, Messrs. Liang Kai-li and Pi Chung-shih of the Ministry of Justice, Hsueh Tu-pi, Minister of Interior, General Ho Ying-ching, acting Chief of Staff of the Nationalist forces, Cheng Hung-nien, President of the National Chinan Institute, and others.

Chancellor Tsai Yuan-pei of the National University Council, delivering the opening address, emphasized the mportance of scientific education, which he said had been very much neglected in China. "In order to carry out the principle of the People's Livelihood as advocated by Dr. Sun Yat-sen," Dr. Tsai said, "it is necessary to study science, which is the foundation of the preservation of mankind."

General Tan Yen-kai, representing the Central Party headquarters stated that as the military stage is being concluded and is soon to be followed by the period of political training, an educational policy for Nationalist China should be formulated based upon the Three People's Principles. General Tan expressed confidence that the educators now participating in the conference would succeed in devising a plan for the spread of popular education.

At the second session, various study groups held separate discussions. The following are the principal decisions reached:

Vocational Group:—To give vocational training in the last year and to open employment agencies.

General Education:—Committee to be organized to fix an educational standard for High schools and primary schools.

Educational Fund Group:—That the minimum yearly appropriation for the education of the people be set at from 20 to 30 percent of the yearly revenue of the country.

ScientificEducational Group:—Education in the natural sciences to be encouraged.

At the third session it was decided that henceforth colleges and universities may only issue certificates to students who have successfully passed the examinations as given by their respective institutions and that the conferring of degrees shall be exclusively reserved for the National University Council.

At the fourth session, Chang Tsz-kiang spoke on military science. He outlined its relation to physical education and to political economy.

At the same session, Chen Li-kiang spoke on popular education, saying that the basic problems were the assurance of sufficient funds, the training of suitable teachers, and the compiling and writing of suitable textbooks.

New Masonic Lodge Organized in Shanghai

A new Masonic Lodge, known as "Chung Hua Lodge" somewhat along the lines of the "International" Lodge in Peking and the "Hykes Memorial" Lodge in Tientsin, has recently been organized in Shanghai, the membership of which will include foreigners of various nationalities, but which will be predominantly Chinese. Owing to the presence of a considerable number of Chinese in Shanghai who have become Masons in America and England, there has been a demand for a Chinese Lodge for a considerable period. Since the new lodge desired to become affiliated with the Massachusetts Masonic Constitution, it was necessary for the new organization to obtain the approval of the three Shanghai lodges under that jurisdiction, the "Ancient Landmark," the "Shanghai" Lodge and "Sinim" Lodge. It is understood that this approval has now been granted so that the organization of the new lodge will shortly become an actuality. It will be possible for members belonging to the older lodges to also become members of the Chung Hua Lodge. The new lodge at first considered affiliation with the Grand Lodge of the Philippine Islands, but later decided to affiliate with the Massachusetts organization.

Manchuria Now the Crucial Spot

The Nationalist armies during the week continued their efforts to reach Peking, and the Japanese authorities, having consolidated their position at Tsinan and Tsingtao, in view of the increasing uneasiness in Peking and Tientsin, diverted part of their armed forces in that direction. A regiment of infantry and a battery of the Nagoya division, originally sent to Tsingtao, were transferred to Tientsin and an air squadron from Japan was also sent to Tientsin. The Japanese forces at Peking, which previously stood at about 500 men, were strengthened with an additional 1,000 men at the beginning of the week. About 2,000 additional Japanese troops were sent to Tientsin during the past few days.

Acting on instructions from the Tokyo Government, the Japanese Minister at Peking and the Japanese Consul General at Nanking respectively notified Generalissimio Chang Tso-ling and General Chiang Kai-shek that Japan will not countenance any operations endangering the lives and property of Japanese nationals. In the meantime, however, Japanese women and children were being sent out of Peking, special trains taking them to Tangkou, where they boarded a ship for Dairen.

Dairen is crowded with refugees, not only Japanese but Chinese. Prominent among the refugees both at Dairen and Newchwang are the families of Northern army officers. Extra Japanese steamers have been put on the Tientsin-Dairen run. A *Reuter* message from Tokyo, dated May 17, stated that there was every indication that the Japanese Government was prepared to act at a moment's notice to prevent the disturbances from spreading into Manchuria. If found necessary, troops would be dispatched from Korea.

On May 18 the Japanese Government issued a statement on China and Manchuria (published in full elsewhere in this issue of *The Review*,) in which the following significant statement is made: "The Japanese Government may possibly be constrained to take appropriate and effective steps for the maintenance of peace and order in Manchuria." This is generally taken to mean that Japan intends to declare a protectorate over Manchuria.

Marshal Sun Chuan-fang succeeded Marshal Chang Tsung-chang May 17 as Commander-in-Chief of the Northern forces in the region of the Peking-Tientsin Railway. The latter was dismissed because he had lost Shantung. Marshal Sun announced as his plan of attack that he would defend Tsangchow until after the Fengtien forces in the regions of the Kin-Han and Kin-Sui railway had completed the rearrangement of their battle-fronts.

Chang Tso-ling In No Hurry to Return to Manchuria

Contrary to previous announcements, Generalissimo Chang Tso-ling had not left Peking surreptitiously, but instead showed considerable spirit in refusing to accept the Japanese Ambassador's suggestion made May 18 that his armies should return to Manchuria while they were still undefeated. The reply of General Yang Yu-ting, on behalf of the Generalissimo, to the Japanese suggestion was reported by the *Toho* News Agency May 19 as follows:

"While appreciating Japan's advice, the Peking authorities are at present in a state of war with the Nationalists and it is not easy to accept the advice and withdraw the armies from Peking and Tientsin district, with the great loss which would naturally be borne by the Northerners when so withdrawn.

"Furthermore, the decision of the war cannot yet be foretold. The Peking authorities take it that the tide of war may turn favorably to the Northern armies.

"As has been already notified through the Generalissimo's circular telegram, the Peking authorities have no intention of continuing further warfare, but are obliged to respond to the attack by the South.

"Therefore, the first importance on the part of Japan, at the present moment, is to seek a way to stop the advance of the Southern forces, and should this be done, the Peking authorities will willingly comply with Japan's advice."

Major General Saito has been appointed garrison commander at Tsinan "to assist the Chinese Chamber of Commerce in the maintenance of peace and order."

The *Shun Pao* (Chinese newspaper in Shanghai), published an express letter from Tsinan dated May 18, giving an account of the meeting in Tsinanfu May 12 between General Fukuda and the Chinese merchants. At that time Tien Yu-wang was made the head of the Special Police and it was agreed that the police should search Chinese houses and in case any arms were found they were to be handed over to the Japanese. At that time Tsinanfu was beflagged with the Japanese emblem. The Chinese flag was not allowed to be flown.

About 400 Japanese troops arrived in Peking on the night of May 20. They are being quartered mostly in the former Austrian legation.

A Japanese cavalry detachment at Kungchuling and also part of the local Japanese garrison at Changchun were reported on May 18 as having been ordered to proceed to Shanhaikwan (where the Great Wall meets the Gulf of Pechili.)

It was stated in a *Toho* despatch from Tientsin May 19 that the Northern forces planned to build bridges over the river between Lanchow and Loting at five points in order to effect military transportation over-land in case of a general retreat. The Northern troops in the region of Shanhaikwan were throwing up new trenches.

Hand-to-hand fighting was going on in the district of Wangtu on the Peking-Hankow line May 18 and the general opinion was that the situation on all fronts was going against the Northern forces.

How the Nanking Incident Started

The *China Times*, Shanghai Chinese daily newspaper, published an account from its Taiyuan correspondent dated May 15 giving the following account of how the outbreak at Tsinan started. On May 3 two of General Feng Yu-hsiang's soldiers went to buy a flashlight from a Japanese shop in Tsinan, for which they tendered a banknote from the Central Bank, but the Japanese shopkeeper refused to accept it. A dispute followed and a Japanese stabbed one of the Chinese soldiers, killing him at once. The other Chinese soldiers ran away. Two Japanese at once reported to the Japanese military headquarters that the Chinese soldiers had looted the shop. Some Japanese soldiers were then sent to the spot and they took ten or more Chinese soldiers into custody. When one of the Chinese soldiers began questioning the Japanese, the Japanese began firing, as a result of which more than thirty Chinese soldiers were killed.

The Nationalist Government has received more than $21,000 as contributions for "War Funds" from the China Overseas Association, according to announcement made during the week.

A special meeting of the Nationalist Foreign Affairs Committee was held at Nanking May 20 to discuss the five demands made by Japan regarding the Tsinanfu incidents. The Committee generally felt and unanimously agreed that an early mutually satisfactory settlement of the incident was advisable, "inasmuch as the Japanese government had indicated a conciliatory attitude."

It was announced at Peking May 21 that the Japanese military attache, Major General Tatekawa had notified Marshal Chang Tso-ling that the Japanese troops would disarm the Fengtien forces should they endeavor to retreat to Manchuria in a demoralized condition. Coincident with this notification the Japanese began to concentrate every available unit at Mukden. The Mixed Brigade which had returned to Dairen from Tsingtao several days previously was dispatched up the railway to Mukden. It is understood that in the event of the disturbances in North China spreading to Manchuria the Japanese troops, for the time being concentrated at Mukden, are to be dispatched to Chinchow on the Peking-Mukden railway, Ichow and other strategic centers on the borders between Manchuria and Chihli.

A conference was held at Chengchow, Honan province, at noon on May 19 between Commander-in-chief Chiang Kai-shek, General Feng and a representative of General Yen Shih-shan. Plans for a combined northern offensive were discussed. On the evening of the same day a conference of the Northern generals was held at Peking, at which it was decided not to retreat any further, as, in view of the Japanese declaration not to permit disorganized troops from passing Shanhaikwan, this night mean the complete destruction of the Fengtien army.

Would Have America Recognize Nationalists

(*Special to The Review*)

Washington D. C., May 19th.—Congressman Loring Black introduced today in the House of Representatives Resolution No. 211 which calls upon the United States Government to recognise the Nationalist Government as the *de jure* Government of China. The House has referred it to the Committee on Foreign Relations of which Congressman Stephen G. Porter, author of the Porter Resolution of 1927, is the Chairman. The text of the Resolution reads:

"*Resolved* that it is the sense of the House of Representatives of the United States that the United States recognise as the *de jure* and *de facto* Government of China the Nationalist Government of China; and,

That it accord with all diplomatic courtesies to agent of said Nationalist Government, possessing duly attested credetials from the Foreign Minister of the Nationalist Government at Nanking; and,

That the United States proceed immediately to discuss with such agent or agents questions relative to the revision of the existing treaties and all other questions which might properly come within the scope of diplomatic intercourse between two independent sovereignties."

Correspondence

The following are extracts from, or summaries of, letters written to The Review which can not be printed in full owing to limitations of space. The names of the writers are placed at the beginning.

FANG LO-TIEN, CARE OF INSPECTORATE OF SALT REVENUE, NINGPO:—Notwithstanding the repeated assertion of the Japanese Premier Tanaka that it is solely for the purpose of protecting the lives and properties of the Japanese residents in Shantung that the Japanese troops are despatched to Tsinan, the insincerity and falsehood of his wods are too plain for any doubt. For the protection of a populace that comprises largely of small-capital traders and mechanics and that does not exceed two thousands in number, a little common sense will judge that it is unadvisable to send a force above five thousand, the expenditure for whose transportation, etc., is much larger than that for the evacuation of the residents. Yet the Tanaka Cabinet insisted upon sending troops rather than ordering the comparatively small populace to evacuate. Moreover, the Japanese Government deeply appreciated the awakening of the national spirit among the Chinese as well as the possibility of a conflict between the Japanese and the Chinese at every moment if they sent an armed belligerent force to confront the Chinese upon Chinese soil, and when they stubbornly thrust such an aggressive and hideous paw into the very heart of our Chinese territory, forcibly taking up our provincial capital and all the area along the Kiaochow-Tsinan Railway, before the very presence of the Chinese soldiers. From these two instances it is plain enough that the motive for the despatch of Japanese troops into Shantung is entirely a deliberate and aggressive action.

Alas, we peace-loving Chinese people, in the presence of the progressive and modernized World, are to suffer the unprecedented barbarous and brutal atrocities on our own soil without any justifiable reason and yet not allowed to retain any ways and means to appeal to the impartial, just and philanthropic peoples of the World for redress?

As a result of the madness of Japanese militarism, thousands of our innocent Chinese were deprived of their lives in a cruel manner, while about eighty thousand of the surviving populace are bereaved of their homes, food and clothings, which plight is very pitiable. Even these remnants, it is alleged, are now experiencing the most horrible tortures.

The China-Japan War of 1898

CHANG NAI-CHI, MEMBER OF THE STAFF OF THE CHEKIANG INDUSTRIAL BANK:—It is obvious that unless the downfall of the Tanaka Cabinet occurs in the near future, war between China and Japan will be unavoidable. Japan has much more interest in Manchuria than in Shantung. The Nationalist force will not cease its drive until the militarists are vanquished. A much more serious situation between China and Japan will arise therefore, after the routing of Chang Tso-ling's forces outside of Shanhaikuan. A China-Japan war will then be ripe. So far there has not been such racial hatred between China and Japan as deserves war. When war is declared, it will be a war against Japanese military imperialists and not against her people. China lays all blame on the former and nothing to the latter.

As a token to China's sincerity, China may offer to solve the problem of Japan's overpopulation. China does not oppose immigration from any country, but must oppose the imperialism behind such immigration. China has vast widespread open spaces and enormous undiscovered natural resources, the development of which with the assistance of foreign manpower and capital means mutual benefit to both Chinese and foreign participants. If, however, the foreign aliens must bring with them, as they are doing, political influence and have the intention to conquer China with the combined force of their political and economic powers, China shall not submit to such aggression. Just the same policy will be applied to Japan. China offers to satisfy the living wants of the Japanese people, but can not satisfy the aggressive ambitions of her military-imperialists.

British Obstinacy

KENNIEN CHANG, NANKING:—In recent years, Great Britain has sacrificed much of her mercantile interests in China at the altar of national pride and prejudices. Hardly do the British realise the truth of the-nation wide movement now on foot—a movement that is truly nationalistic and impossible to be stemmed by any outside force. They have been repeatedly rebuking the just appeals of an awakening people. Perhaps, many of the untoward incidents during the recent years have distracted their attention from the original purpose of their coming to this country—trading with us.

Since the exchange of courtesies between the Governor of Hongkong and the Chairman of the Kwangtung Provincial Government and the visit paid by Sir Miles Lampson, the British Minister, to Canton and Shanghai, Sino-British relations ought to have been improving. By this time, old suspicions should be removed and feelings of amity recovered. Both countries ought to realise that their cooperation is of mutual benefit. It they at all attach importance to trade considerations, they must proceed with measures that can best promote their friendly feeling and interest. In China, Great Britain can find the best market for her manufactured goods. From China, she receives supplies of raw material and agricultural products. Reciprocity and interdependence in trade should bring about a fair attitude and sympathetic feeling toward each other. After all, there is no reason why these two great peoples cannot meet on a cordial and equal basis.

If the British persist in following their die-hard policy, it is feared that greater disasters would again mar future Sino-British relations. We are wondering what attitude Great Britain is going to take in respect to the Tsinan Affair. The Chinese undoubtedly are in the right in protesting against outrageous acts committed by the Japanese Army of occupation. In spite of all her protestations, Japan, in sending troops to Shantung, has a purpose other than protecting her nationals. We are indeed aggrieved to read the Shanghai die-hard English papers, for they have been utilized as a channel for Japanese propaganda. It is doubtful that they are taking a wise course. Why should they wish to bring upon themselves a crisis of Japanese making? Because of British obstinacy.

Law and Morality Are Prerequisites

CHAPLIN CHOW:—Japan dispatched troops to China on the pretext of protecting the lives and property of Japanese nationals. Armed protection afforded by a foreign State towards its nationals in a foreign country has never been sanctioned by international law. Neither England nor America sent troops to Tsinan and none of their people was wounded or killed. The Japanese intention in sending troops to Tsinan was to block the advance of the Nationalist armies. Japan started to become strong when she made her alliance with Britain in 1902. She is now stepping into the shoes of Western civilization, and also the most polite stage—except common virtue. By their brutal acts in Tsinan on May 3 the Japanese have lost the good-will of people abroad. Japan came to China since the expansion of maritime commerce and the development of inter-State communication. Japan in common with many other nations enjoys special privileges. China has need of foreigners, but not of those who ill-treat her. Japan's best diplomacy would be to send her troops out of China and thus become friends with the Chinese, the same as before.

Fair Volume of Exports From Shanghai to U. S. A. During April

The report of the exports from Shanghai to the United States for the month of April, issued by the U. S. Consulate General at Shanghai, shows a total of $5,161,672 for the month, bringing the total for the first four months of the year to $17,457,440. It will be seen that April's exports were above the average. Hides, furs and skins of various kinds showed up well. Cow-hides totalled $391,956; goat-skins $659,483; marmot skins $115,244; weasel skins, $527,384 for the month, Tea exports were negligible. Lace and embroidery shipments were below the average. Raw silk showed up fairly well with a total of $2,080,387. Antimony regulus shipments, although higher than for the first few months totalled only $25,391. All figures given above are American gold.

American Public Not Seriously Interested in Far East at Present

The *Weekly Review's* correspondent at Washington, D. C., telegraphed May 19 as follows:—The Administration's policy regarding China remains unchanged, President Coolidge, Secretary Kellogg and other officials watching the situation and its developments carefully. The Tsinan incidents have attracted little attention, chiefly because of the interest in the domestic political situation in the United States, the two major political parties having their conventions shortly. There has been no significant press comment and the public, generally speaking, is not seriously interested in the events now taking place in the Far East.

Japanese Propaganda in Chinese Language

Circulars in the Chinese language were liberally distributed during the week, signed by a so-called "National Peace Association." The circular bears every evidence of being Japanese propaganda cleverly disguised in Chinese dress. The principal theme of the message is that Chinese merchants, laborers and students should not trust the Nationalist leaders in any anti-Japanese movement, as the result of a boycott will simply be that many of them will be ruined. Regarding Tsai Kung-shih, the circular says that instead of having been murdered by Japanese in Tsinan on May 3 he had never arrived there.

The Tsinan Incident—A Japanese Viewpoint

BY DR. S. WASHIO

In the Japan Advertiser, Tokyo

THE Nanking outrage of the last year was looting and pillage but this is a fight, a collision of the two armies with odds of one to ten. The Japanese troops were dispatched to prevent a repetition of the Nanking incident but have invited a worse evil. The presence of the troops instead of protecting the lives and property of the Japanese residents has rather aggravated the situation and given a pretext for the outrage. As at the time of the Nanking incident the Chinese troops turned pillagers and were out of control by Chiang Kai-shek but against the Japanese protest he has now a pretext to defend himself; he demands the immediate withdrawal of the Japanese troops, which he says is an incentive to violence. The violence would have occurred even if the troops had not been present but the resistance has developed it into a fight.

Japanese in Tsinan

Less than 2,000 Japanese lived in Tsinan before the war but many of them voluntarily left the city for Tsingtao and other safe points. The remainder might have as well been ordered to leave if the protection of their lives and properties was the essential object. Most of these residents are low-class people and they can be evacuated cheaper than the despatch of the troops. But 5,000 soldiers were sent to protect them on the spot and at the time of the outrage 3,000 of them were in the city, at the ratio of two soldiers to one civilian to be protected. It would have been a costly operation even if the object of protection had been perfectly accomplished. The point was exhaustively commented on at the time of the first dispatch of troops but this reactionary Government refused to confess its mistake.

According to the first report more than 100 civilians have been killed and several soldiers have been killed and practically all residents have been pillaged. The Tsinan-Tsingtao line is destroyed at three points and the Japanese troops in the city are practically in a state of siege. Reinforcement is urgently necessary and more troops are to be sent. One false step has surely led to another but it can no longer be avoided. We have to see it through until the Chinese yield.

The Intervention Myth

The myth of intervention may yet work. This fighting may develop to a sort of intervention and Chiang Kai-shek may suffer from it. But the myth has not worked so far. It is hoped that the Government had no ulterior motive when it decided on the dispatch, but we must keep it in mind that the Chinese can easily think that the dispatch was at least a week too late and the advance of the Southern army outraced the movement of the Japanese troops. When they reached Tsinan the stragetic moment was past and the balance of power was already definitely upset. This imagination of the Chinese might have easily led to a contemptuous demonstration against the Japanese troops. Imaginations long impressed by the myth can easily run wild if they find that the myth has not worked. I have anticipated this danger and it has happened precisely as it was anticipated. The Government has played with fire. It can't now escape the blame of having taken a dangerous step without a vision of the situation. Even considered merely from the point of view of stragetical technique it was a blunder. It sent a few thousand soldiers into the interior of a foreign country before hundreds of thousands of native troops who can't but be hostile. It would have been rather unusual if the clash had not occurred. The dispatch of troops to be effective required the myth, of which the Chinese were afraid, and the myth of intervention could have worked only at a strategic moment by holding the balance of power. For the first time it did not work and we had to take its consequence.

Chiang's Interest

It does not require much imagination to see that this violence was no part of Chiang Kai-shek's program. His own interest demands that nothing should happen that would involve him in a military operation against Japan. He is still on his road to the goal and if he were to succeed his hands should not be tied with any embarrassing incident. So also was it with the Nanking outrage. Chiang did not wish it but it happened in spite of him and marked a turning point of his fortune. In the present case the speculation is already offered that the Communist elements of his army have deliberately staged this violence precisely for the same purpose as at the time of the Nanking outrage—to defeat him and rob him of the fruit of his success. It is even suggested that the elements Feng Yu-hsiang has placed in Chiang's army have instigated the present violence. The Chinese army is not an army in the ordinary sense of the word. It is a political machine. Any one who has been in China and has some acquaintance with Chinese generals has come across cases in which a general of one army can give him a letter of introduction to a lieutenant of a rival army that is in open conflict with it. In Japan it would not be strange if a Seiyukai man had more friends or relatives among the Minseito members than among his own party. Politics makes strange bedfellows and it is true of the Chinese army, which is a political party at the same time.

Chinese Armies

That Communists and Feng's men may be included in Chiang's army participating in the common fight but playing at a critical moment their own game is quite conceivable. It is no more than what the Minseito, Meiseikai and Labor are doing in our own politics. The man who was virtually a fugitive last fall could not have gathered the army 200,000 strong already made unless he had welcomed any body who came. And if there were Communists they could have easily thought of repeating the same operation they so successfully staged last year to get rid of Chiang Kai-shek. It is reported that the Chinese troops that are in direct collision with the Japanese troops are the best disciplined part of the Southern army and there are various evidences to show that the violence was premeditated.

But without invoking such a theory it is almost natural that Chinese soldiers would turn pillagers when they have nothing to fear and in this case mob-psychology could have easily been intensified by the chronic anti-foreign psychology. That the Government has failed to see it seems incredible and to think that lack of foresight has exposed a few thousand soldiers to a countless number of the invading army is also incredible. But this foolish thing has been done. The foreigner may praise the courage of Japanese soldiers but it was a foolish courage. Either it was foolish from the beginning or an ulterior plan that was contemplated did not work. It marks the climax of the dismal failure of the China policy of the Tanaka Ministry. Since the Siberian expedition it is the greatest diplomatic and military blunder this country has experienced. At the same time the thing is done and we can not withdraw now. It is up to China not to make it any worse. The situation for the moment transcends politics and criticism.

The natural reaction against the atrocities that are being reported from Tsinan is the feeling that nothing but force can keep the perpetrators of such cruelties in order. But the virtue of force is in its inviolability. When force is abused it instigates and makes worse what it meant to prevent. Force should be used only when it can be depended on and if we are going to use it at all we should not make a half-hearted business of it. Britain was wiser when she ordered last year all her nationals to withdraw from the interior and concentrated her defense on Shanghai where it could be maintained infallibly. In the present case had Japan concentrated on Tsingtao her defense would have been infallible. In dealing with the kaleidoscopic change of the Chinese war situation, what is her policy? Her motto should be to do the least possible and the least expensive and an inflexible stand should not be made until you are sure of your own ground. There is a limit beyond which you should not yield and that limit is set by the indisputable fact it can be made good and you are always determined to make it good. Outside that limit you can't afford boxing with the curtain that is the Chinese civil war-ridden politics.

Japan Acted Like a Fool

Atrocious as are the tales so far received, the worst has not happened. The poor residents and the poor troops exposed to a dangerous situation, which is a crime not to have been foreseen by the Government, have fortunately escaped annihilation. Reinforcements have reached and the worst is over. If the Shantung Railway is to be put, as the Tsinan government is now contemplating, temporarily under the Japanese control a repetition of the atrocity is foreclosed. The Government should have gone to this extent if the Japanese residents of Tsinan have to be protected on the spot. But if this step had been considered before the outrage happened there would have been no two opinions as to the wisdom of the less expensive alternative of withdrawing all the Japanese residents to Tsingtao which would not have exposed our motive, as it is exposed today, to the interpretation of extracting a huge indemnity or the possible demand for the retrocession of Tsingtao—a propaganda Chinese are likely to start to prejudice public sentiment against us. What price are we paying for this ineffectual protection? The protection was not accomplished, expenses are enormous and the Chinese feeling against us can only become worse. Let all the world unite in its extension of sympathy to our misfortune but we should be realistic and confess like a man that we acted like a fool. For Heaven's sake don't let us make ourselves anymore foolhardy.

The Lesson of Siberia

We have the Nanking outrage still diplomatically unset-

tled the new outrage will go into diplomacy and will be practically shelved as the Nikolaievsk was shelved. The practical problem that may remain will be the question of evacuation from Shantung. The parallel case was the question of evacuation from Saghalien, which was left standing for more than a year with a growing unredeemable cost to our expenses. It is hoped that the unsubstantial consideration of the "face" of the Government will not lead to a repetition of a similar mistake, but a long stay of the troops is probable in view of the insecure war situation between the North and the South. Since the Government is committed it can't possibly withdraw the troops before either the South or the North definitely wins. And this brings us to the question: what will be Chiang Kai-shek's fate? Can he march further north to finish Chang Tso-lin or can he consolidate Shantung as a base of the further operation that is to be postponed for sometime? Or will he be driven back?

After Nanking

This question is so involved that it is gratuitous to offer a guess but we can't help recalling what happened after the Nanking outrage. Substitute Tsinan for Nanking and we can draw a parallel. When Chiang Kai-shek captured Nanking the seat of the southern Government was in Hankow, which was overridden by Communists and went against him. General Tang She-chih, though not a Communist, rode on the Communist influence to gain his private end. The Kuomintang split, and the leader of the left wing, Wang Chao-ming, returned from hiding to lead it again against Nanking. Feng Yu-hsiang assuming the role of a mediator between the two factions secretly worked for the downfall of Chiang Kai-shek. In fact, most leaders of the Hankow Government from George Hsu Chien downward were really Feng's agents. Despite all this internal tangle of the South Chiang pushed on his anti-northern campaign and was defeated according to his opinion by the Japanese intervention. In truth, however, his political defeat was simultaneous, if it did not precede his military defeat.

Chiang's Enemies

When Chiang returned hastily from Japan last winter to stage his comeback the way had been opened by one of his former lieutenants who captured Suchow. But upon entering into negotiation with other Southern military and political leaders he found the general situation as much divided as it had been. His effort to come together with Wang Chao-ming did not succeed. Fang She-chih was finished but the man who went to replace him in Hunan seemed to revolt against Nanking. The Hankow Government was no longer existent but the Southern generals operating there seemed to be playing their own games. Even in Nanking no prominent representatives of either the right or the left wing of the Kuomintang co-operated with Chiang. The Nanking Government he recaptured was a deserted government. He had to replace nearly all its personnel. Under such circumstance it seemed impossible for Chiang to unite the whole South for a renewed grand offensive against Peking. It was not Chiang who united it but Chang Tso-lin who stands as the common enemy against all. His army is a heterogenous gathering. That he is not its master is proved by the Tsinan outrage. Especially it is so if the outrage was premeditated by the Communist elements or the elements Feng Yu-hsiang has placed in the Southern army. The recrudescence of the communist influence in conjunction with the left wing of the Kuomintang charging Chiang with pro-Japanese predilection is conceivable. Wang Chao-ming may appear again and Feng's plot may be repeated.

Chiang's rear is exposed to this danger while in his front, although Tsinan has been captured, Chang Tso-lin in Peking still remains practically intact and the Japanese troops, whether Japan will use them for that purpose or not, are now in a position to hold the balance of power. The day of evacuation from Shantung is not even conceivable at present and when the first shock of the atrocity subsides the criticism against what the Government has done will begin to rise at home and will be dragged into politics.

Disorganized Postal Service in West China

A correspondent at Chengtu, West China, gives some details of the disorganized state of the postal service in that region, due partly to the breaking down of the regular steamer traffic between Ichang and Chungking. Newspapers are allowed to pile up at Hankow, or Ichang, or Wanshien, so that in one mail papers have come along dated five months apart. The excellent parcel system built up by the former Commissioner has gone all to pieces and the businessmen of Chengtu are petitioning for better service. The upper Yangtsze river steamer service is badly hampered by the military, but most of the postal irregularities seem to be due to poor administration.

The Tanaka Cabinet and the Shantung Situation

BY T. H. LEE

WHEN the real facts of the Shantung incident become known to the public in general, it will become apparent that the present Shantung entanglements have not a little to do with the Japanese Cabinet Crisis, and the Japanese international plan *vis a vis* China.

Leaving aside the question of blame on one or the other party for the present, at least until we have a clearer light on the matter, there are a few outstanding facts that must be considered in the ultimate solution of the problem.

The dispatching of Japanese troops by the Japanese Government on Chinese soil is clearly an aggressive act on the part of the Japanese Government which not only contravenes treaty obligations between Japan and China, but is also a gross violation of international law which cannot stand the verdict of an international jury.

When the first despatch of Japanese troops was effected, there was a strong opposition not only from Chinese public bodies but also on the part of the Japanese people against such an action, and the reason for this opposition from the latter was that it would jeopardize the large Japanese commercial interests by arousing the ill-will of the Chinese people.

But in spite of strong protests, the Tanaka Government seemed determined to dispatch troops "for the protection of the Japanese people." It was the determined opposition on the part of Japanese bodies that resulted in the temporary recall of the troops.

If, therefore, it was a mere question of protecting the lives of Japanese, certainly the sanest and most economical way would be for the Japanese to temporarily move out from the danger zones, until order has been reestablished and the Nationalist troops gained full control of the situation. The Nationalist government would certainly be willing to reach an agreement to protect Japanese properties during their absence and to be responsible for damages incurred by the Japanese during the Southern occupation, if it were so approached. That the Japanese government did not think of this expediency, but preferred to send troops at such expense, and besides risking the goodwill of the Chinese is certainly not good statesmanship, even if it is motivated by an ulterior purpose.

Tanaka of Notorious XXI Demands "Fame"

The Americans, British and other foreign nationalities have done so, and the Japanese could have done the same. The fact that the Japanese Government did not choose to adopt this plan, but against the warning of the Chinese military leaders and public bodies despatched the troops seems to conclusively prove that there is a sinister motive behind the action of Premier Tanaka.

It must be remembered that the present head of the Japanese Cabinet is the same men that helped to draw up the infamous Twenty-One Demands on China; and as "the leopard will never change its skin, there is nothing to be surprised at in the act of Premier Tanaka—it is simply the pursuance of the old aggressive bullying policy of the Japanese arch-militarist.

The Tanaka Government has long been unpopular with the Japanese people and Tanaka had been trying every means to avert the collapse of his tottering government.

To embroil a country with other countries in order to stave off the impending fall of an unpopular figure and thus rally the different parties is one of the old diplomatic tactics often resorted to by demagogues; and the old premier is cunning enough to foresee that by this method he could stop all opposition against him—and, by making China again his scapegoat, he has so far been successful in his expectation.

The Manchurian question has also an important bearing on the present Shantung situation. One of the principal objects on the "Twenty-One Demands" of Baron Tanaka was to have undisputed control of the Three Eastern Provinces. This was proved by the obstacle put by Japan to the proposal of Willard Straight in his neutralization scheme of the Railways in Manchuria.

The opposition by the United States to the Twenty-One demands, made it necessary for Tanaka to find some other way to gain his object. In General Chang Tso-lin he found an easy pawn and so long as Chang Tso-lin is in control, Tanaka could accomplish his scheme of peaceful invasion. General Kuo Sung-lin's untimely defeat in his recent revolt against Chang was due to the help of the Japanese who obstructed Kuo from reaching Mukden which led to his

Will Nanking Replace Peking ?

BY THOMAS F. MILLARD

In the New York Herald-Tribune

Shanghai. Feb 17

To most people the capital of a nation is a place marked on maps by an asterisk or a star. By that criterion any one can tell where the capital of China is. Peking, of course. There it is on the maps. The guidebooks say so, too.

People who have been in China for some time are not so sure where the capital of this country is. A capital is supposed to be primarily a seat of government. That qualifies Peking's status, for what exists there cannot pass for a government of the nation. Nanking's claim to be the capital is at least as valid now as that of Peking. But the question is open. Where the capital of China is to be hereafter will be decided later.

Soon after the revolution commenced, in 1911, Sun Yat-sen told me that removal of the capital from Peking was essental to its success. He felt strongly then that only by breaking completely from everything that stood for the Manchu regime could reform be carried through. Dr. Sun never gave up that idea, so far as I know, and he passed it on to his followers. For many years it has been a cardinal "plank" in the program of Kuomintang.

That feeling is largely sentimental. Nanking was the capital of the Ming emperors during China's time of splendor. Peking has been the capital of an alien dynasty whose rule the Chinese overthrew at last after many failures. It is probable that a vast majority of Chinese want the capital brought back to the middle of the country.

Important political considerations are connected with the question of locating the capital of new China. The old foreign treaty status, so obnoxious to the Chinese now, is intrenched at Peking, where the segregated and self-governing Legation Quarter stands as its symbol and citadel.

The foreign countries that have influenced Chinese nationalism the most in late years are Russia and Turkey Russia's influence lost effect principally because it tried to exploit the Chinese revolution to advance political aims of the Soviets. But Turkey's example, and especially action of the Turks in throwing off extraterritoriality, still makes a powerful appeal to Chinese intelligentsia. Removal of the ultimate capture.

Russian and Turkish capitals is recognized as having distinctive effect on those revolutions. Chinese are impressed by that move of the Turks, who, to make a new start in constructive nationalism, left Constantinople and went to Angora, remote and lacking facilities to house and carry on government. The significance of that dramatic gesture was understood throughout Asia.

Until lately most foreigners here have not taken very seriously the assertions of Chinese Nationalists who aver that after they have taken Peking the capital will remain at Nanking. Facilities for carrying on government at Nanking are meager. Housing accommodations, both for offices and residences, are very inadequate. There is no hotel worthy the name.

At Peking have been built in the last twenty years a number of fairly modern places to house the government. There are good hotels and many residences suitable for Chinese and foreigners. There are clubs and recreations. Most of the foreign treaty powers have comfortable legation buildings which they own.

Nanking has none of those things. The city never recovered from the damage wrought by the Taipings. Inside the old walls are great open spaces that once were crowded with houses. If Nanking becomes the permanent seat of government a new city must be built.

A plan for such a one already exists. In 1911 Sun Yat-sen had plans made for a model government administrative center at Nanking. As I remember it, that plan would require an expenditure of about $40,000,000. Places were marked for the residences of foreigners and for the legations, but a restricted quarter was not contemplated. It was a good plan on paper. Dr. Sun talked of having a famous American architect submit a design for the new capital's administrative and residential areas. That scheme went into the discard, like so many of Sun's dreams for China. The Nationalists are thinking of reviving it now. That Sun Yat-sen's tomb is at Nanking has a bearing on the matter.

Many foreigners and Chinese believe if the Nationalists do take Peking that they will yield to the temptation of ready-made housing and abandon the plan to move the capital. Cost is a powerful argument against change, and money is scarce. Will such considerations outweigh sentiment and those other factors?

The outcome probably depends on whether a Chinese leader arises who has imagination to comprehend the political values of a change and the power to impose his opinion. Will a Chinese Kemal come to the fore? Some say yes to that query: others say no. Some people think they perceive such a man in Chiang Kai-shek. It is said that Peking is already allocated to Feng Yu-hsiang, who is reported to have agreed to recognize Nanking as the capital of the unified national government.

It is interesting to observe how this question of where the permanent capital will be is affecting foreign attitudes toward the Nationalist movement. Business Shanghai begins to see how it would profit by having the capital at Nanking, only five hours away by express train. Putting the capital there would mean probably a $100,000,000 building development, and the bulk of the business would go to Shanghai firms. So even those foreign business elements here which have been strongly anti-Nationalist are scenting possible advantages from Nationalist success and are turning a friendly countenance toward the Nanking regime.

Japanese People Being Exploited

In the Nationalists' movement the Japanese found an even more formidable enemy to Japan's imperialistic schemes and hence every effort must be put forth in obstructing the movement and preventing if possible the Nationalist troops from reaching Peking.

But are the people of Japan aware of the fact that they are being exploited for the sake of this one man and his ambition? And if they do, we may be sure that an unfavorable reaction will come sooner or later.

We have pointed out before that the Japanese people were opposed to the despatch of Japanese troops. Their commercial interests, which according to a recent customs report amount to no less than 440,000,000 dollars for the current fiscal year, are too large to incur the ill-will of the Chinese who are their best customers. When the news of the clash between Japanese and Chinese troops reached Japan, all the vernacular papers with the exception of the *Nichi Nichi* which at that time refrained from making any comment, condemned the government and placed the responsibilities on its shoulders.

However, the premier has chosen to sacrifice the lives of his soldiers, his countrymen and the great economic interests of his country in order to satisfy his whim.

The situation is aggravated by the fact that Tanaka's action involves the peace of the world. Should the Powers at this time allow Japan to land troops in Shantung, it will mean the revival of land grabbing policy in China with all its attendant evils of secret diplomacies and international jealousies and rivalries—a thing which the Powers certainly do not wish to see revived.

The present trouble may seem too little to bother the heads of the Powers at present, but it possesses a most dangerous germ of another great world conflagration and the Shantung question is, therefore, not only a question of China's self-preservation but a question which concerns the peace of the world.

Fuh Tan University, Shanghai, May 13, 1928

Japanese Securities Drop on New York Market

A special dispatch from Washington, D. C., dated May 10 in the *Japan Advertiser* (Tokyo) stated:—Evidence of the gravity with which American investing public attaches to the developments in Shantung is reflected by heavy sales of Japanese bond and debenture issues on the New York Stock Exchange.

The last 40 hours have witnessed a large volume of liquidating and short selling. Various Government, municipal and public utility bonds have gone off markedly. The Governments declined an average of 1½ points. The Tokyo and Yokohama issues broke, the former receding further. The largest decline was evident in Oriental Development Company 6s, which are guaranteed by the Japanese Government. These broke 6¼ points to 99, compared with the 1928 high of 105.

The short-term 6 per cent issues of the Tokyo Electric Light Company and the Toho Electric Power Company were not affected, as the former is due for redemption this summer and the latter next summer.

An Eye-witness's Story of the Tsinan Situation

BY H. S. LIANG*

An interview with Mr. Lo Chia-luen, Educational Commissioner for War Area Administration of the Nationalist Government and representative of the Ministry of Education and Research, who recently returned from the war front in Shantung where he witnessed much that had to do with the situation and was one of the negotiators who tried to bring about a peaceful settlement between China and Japan.

"My story," Mr. Lo said, quietly and dispassionately, "is to be based primarily upon my own experiences and observations, and I am going to tell it as impartially and disinterestedly as I possibly can. There is no use or need for exaggeration or distortion of the case What is more, my loyalty to justice and scientific training will not permit me to do that. On April 30 I left Nanking in the company of Huang Fu, the Minister of Foreign Affairs of the Nationalist Government. Our party was later joined by General Chiang Tsu-ping, Chairman of the War Area Administration, at Hsuchow. We, three of us and our staff, arrived at Yenchow on May 1.

"On May 2 our party entered the city of Tsinanfu. We heard that when the Nationalist soldiers began to come into the city the Japanese made attempts to shut them out by refusing them the right of way, on the main route along the so-called Commercial Area outside of the city, where many Japanese soldiers were stationed. It is worth noting here that there is no concession in Tsinan; and the Japanese have no right whatever of stationing their troops in this territory. On that night, the night of May 2, our party stayed in the Tientsin-Pukow Railway Office, which was immediately turned into the temporary headquarters of Ministry of Foreign Affairs and War Area Administration.

"At about 7 o'clock next morning I went to call on General Chiang Kai-shek at his headquarters where I learned that on the day previous a Chinese officer of the transportation corps was killed and more than 10 street lecturers were arrested by the Japanese. Later in the day, however, four of these were released. The news of the killing of the Chinese officer and the arrest of the street lecturers was ordered to be suppressed by General Chiang for fear that it might stir up the troops and the people. After a brief visit with the Commander-in-Chief I left for my own headquarters, the Railway Office, where I saw for the last time Mr. Tsai Kun-shih, Commissioner of Foreign Affairs, whose death and that of several members of his staff will be regarded as one of the starkest tragedies of the age. The complete story of this cold-blooded murder was told by Mr. Tsai's bodyguard by name of Chang Han-shu, who witnessed the whole incident and who managed to escape

"According to the bodyguard's story, at midnight May 3 a detachment of Japanese soldiers broke into Mr. Tsai's house and ransacked the place. On Mr. Tsai's protesting, the Japanese soldiers tied him up together with 20 members of the staff, including the bodyguard. The soldiers made the bound men kneel and then cut off Mr. Tsai's nose and ears; also cut off the nose and ears of several others. The bodyguard was wounded by a bullet.

"Now coming back to my meeting with Mr. Tsai at the Railway Office. Shortly after that I was informed by a Nationalist officer that a clash had occurred between the Japanese and Nationalist soldiers. Hurriedly I headed for General Chiang's headquarters where, upon my arrival, I found him writing on a large-sized white cloth these words in Chinese:."Avoid Conflict at All Cost. All Soldiers Return to their Original Stations." This order was immediately circulated. My inquiry as to the causes of the conflict brought me the answer that it was started when some Japanese soldiers interfered with and killed several Chinese who were plastering slogan posters. The Japanese soldiers also fired into crowds of onlookers, killing a number of them.

Nationalists Ordered Away from Commercial Area

"Sometime later several men came to the headquarters with reports that the Japanese took the Railway Office, our improvised headquarters, with Huang Fu inside the building. His bodyguards were compelled to disarm. At about 11 a. m. another order went out from the Generalissimo's headquarters calling all Nationalist soldiers to stay away from the Commercial Area. Firing went on intermittently until late in the rfternoon. Every now and then machine gun shots and cannon aoars were distinctly heard. A batch of men were sent out by General Chiang to see if all Nationalist soldiers had withdrawn from the Commercial Area, and they came back with the reports that no Nationalist soldier could be seen anywhere near the Commerical Area. However, they saw Japanese soldiers shooting at random and also some 20 or 30 bodies in Chinese civilian clothes lying along one of the main streets.

"While at the General's Headquarters I saw among others whom I now recall H. J. Timperley, an Australian newspaperman correspondent for the *Manchester Guardian*. He told me that he had some pictures taken of the Japanese soldiers arresting the street lecturers, but these pictures together with pictures of famine conditions in Shantung were lost when Stein's hotel at Tsinan was looted.

"At about 5.30 in the afternoon (May 3rd) Mr. Tseng Yang-fu, Commissioner of Reconstruction, and I were sent by General Chiang Kai-shek to inquire about the safety of the British and American consuls. We received definite instructions from the Commander-in-Chief that if the consuls felt that their general safety were in any way impaired they would be very welcome to stay at the General's Headquarters. We entered the American consulate by the side door as we were told that five or six Japanese soldiers were shooting at random at the front gate of the consulate. We saw the American consul—general, Ernest Price, who told us that according to his information from the Japanese consul, Mr. Nishita, the conflict was started when some Chinese soldiers tried to loot a Japanese store and upon these Chinese soldiers the Japanese soldiers opened fire, We told Mr. Price our reports of the case, conveyed to him our instructions from General Chiang. He thanked us warmly saying that while he appreciated the General's kind offer he did not feel the necessity of taking refuge in the General's Headquarters. However, he expressed the desire for a few military police to guard his consulate. Later Mr. Price, Mr. Tseng and I myself went together to call on the British consul, Mr. Affleck. It was here that the possibility of mediation by the American and British consuls was discussed. Mr. Price told me that he would offer to mediate for the sake of peace and order in Tsinan. Mr. Affleck, on the other hand, expressed his doubts saying that the situation seemed to be dominated by the military and that mediation would thus be of no avail.

"On that very night General Hsiung Sze-hui, former Garrison Commander of Shanghai, was sent by General Chiang Kai-shek to negotiate with General Fukuda's Chief of the General Staff arrangements for settlement in order to prevent further and more serious conflicts. At 12 midnight while the negotiation was in progress the Japanese soldiers fired five cannon shots and threw several bombs, killing one Chinese soldier and doing considerable damage to the Chinese wireless station.

General Chiangs Desire for Peace

"Early in the morning of May 4th we continued to hear the firing of guns. Later in the morning four faculty members of the Shantung Christian College, among them were Americans, came to call on the Nationalist Minister of Foreign Affairs asking whether there was not any possibility for mediation. The Minister replied that the Chinese never intended or wanted conflict. Late in the afternoon Mr. Price, the American consul, and Mr. Affleck, the British consul called on General Chiang Kai-shek. At their meeting I acted as the interpreter. Throughout their conversation General Chiang again and again expressed his earnest desire that peace and order be immediately restored. He assured both consuls that ever since the afternoon of May 3rd there was not a single Chinese soldier near the Commercial Area. He told them that he issued orders to his soldiers forbidding them to return fire. He expressed his appreciation for the consul's offer to mediate. He told them that he had the utmost confidence in them and hoped that General Fukuda would do the same. Before they left the Nationalist Commander-in-Chief's headquarters both Mr. Price and Mr. Affleck said to me that they were going to see Mr. Nishita through whom they expected to get in direct touch with General Fukuda. No reply came however, from either Mr. Price or Mr. Affleck. On that night the Japanese soldiers bombed our wireless station for the second time, breaking one of the masts and thus almost completely destroying it.

"The morning of May 5 found in the atmosphere that enwrapped the city of Tsinanfu an ominous calm as if foretelling troubles that were yet to come. A report came to General Chiang's headquarters that General Feng Yu-hsiang was to arrive in Tsinan at any moment. Thereupon General Chiang, accompanied by General Chu Pei-teh, rode on horse back to Tongchiachang (about 30 li from Tsinan) and there to meet General Feng. In the evening I, too, received orders to leave the city. But before my departure I despatched four letters for General Chiang; one of these was to General Fukuda. In this letter General Chiang notified him of the evacuation of Tsinanfu by the Nationalist soldiers with the

(Continued on page 415)

*Mr. H. S. Liang is an American trained journalist. For sometime he served on the editorial staff of *The Detroit News*. He returned to China four months ago, and is now connected with the National Committee of the Y. M. C A's of China.

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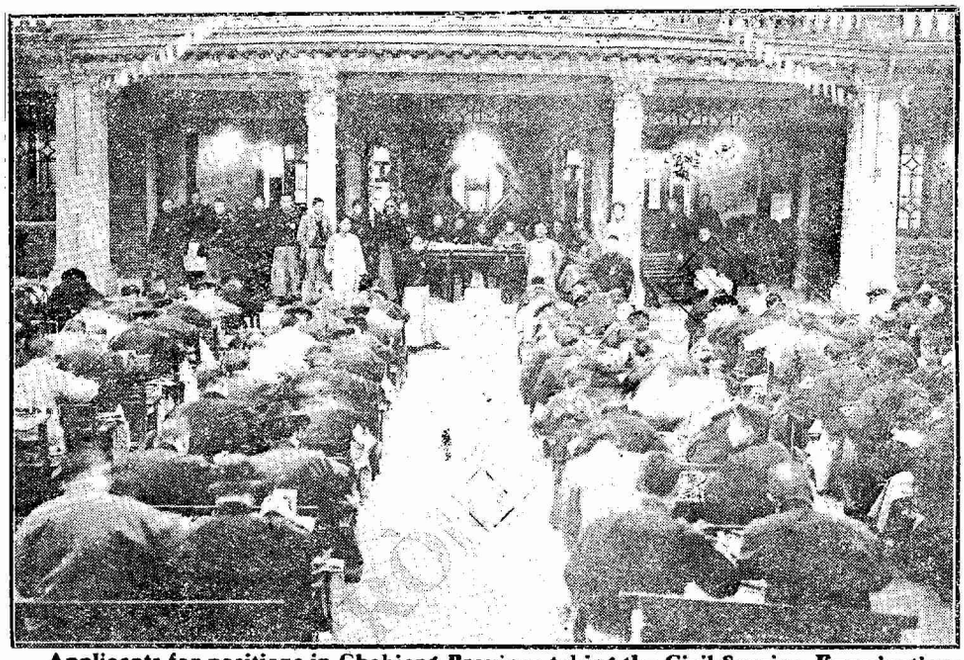
Chekiang's New Provincial Government Organized on Progressive Lines

BY J. C. OLIVER

CHEKIANG fell to the Nationalists on February 18, 1927. Then followed "overthrowing" "tearing down," "reorganizing," and lastly, "reconstruction." It seems inconceivable that within a year's time the present state of political stability could be achieved. Perhaps Chekiang with its proverbial tendency toward independence is the first of the Southern Provinces to approach a state of political equilibrium. Reforms and progressive measures undreamed of under the "old regime" are not only being proposed but are even now in operation. The following facts regarding the organization of the Provincial Government and its various branches have been gleaned from observation and from interviews with the men actually engaged in the task of reconstruction.

The Chekiang Provincial Government is organized according to regulations laid down by the Nationalist Central Government at Nanking. It consists first of a Provincial Executive Committee of eleven men, nominated by the Central Executive Committee of the Nationalist Party and appointed by the Central Government at Nanking. Under the Provincial Executive Committee are four departments: Civil, Finance, Construction, and the Chekiang University. Other divisions of the Government directly responsible to the Provincial Executive Committee are the Secretariat, Militia, and Finance and Economic Planning Commission.



Applicants for positions in Chekiang Province taking the Civil-Service Examinations in the Magistrate's Office.

The Central Government collects in the Province certain national taxes such as salt, customs, wine and tobacco, cigar and cigarette, oil and stamp taxes and in order to insure national uniformity and practices, the National Government has under its authority all law courts, prisons, and the administration of foreign affairs.

Civil Department

The Civil Department has under its administration all city and county governments and officials, police and land. A number of important reforms are taking place in this department which if carried through consistently, will be of great significance in the future development of provincial governments in China.

A technically trained foreign adviser, from Austria, under the title of the High Adviser of Police and Civil Ministry of Chekiang has already asumed office.

Civil Service Examinations for Magistrates

One of the most progressive innovations attempted by the Provincial Government has been the instituting of civil service examinations for magistrates. From April 1st to the 7th written examinations under the closest supervision were given to candidates for magistracies. The subjects on which the examinations were based included the Books of Sun Yat Sen, History of the Chinese Revolution, Outlines of World Economics and Government, Relation of the Party to the Peoples' Government, Economic and Social questions, City and Village Governmental questions, and Chekiang's People, its Culture, and Provincial Geography.

In all 630 registered for the examinations. Of the five women registered, two were foreign returned students. Before the examination date, 80 were found to have insufficient preparation and were eliminated. 43 of those registered failed to come. The first day was given over to physical examinations and 20 more were excluded so that only 487 actually took the written examinations. During the examinations 46 more fell by the wayside either from overstrain or inability. Of the 441 who finished, 32 were selected, and will be given further training at the expense of the government. This training will include supervised peripatetic study and investigations with written reports, two months to be spent in Chekiang and four months in the Pehilippine Islands. After the additional training, these men will be given a three months' temporary magistrate position and if they prove competent will be appointed as a regular district magistrate.

Police

Including the unarmed, the armed and the traffic police there are about ten thousand land police in the Province. Of these, 2,000 are in Hangchow, 1,000 in Ningpo, and the remainder scattered through the province. 1,500 river police also supplement the land police. Two police schools are being established, one for officers of the police and the other for regular police.

Land

Land is at present under the Civil Department but plans are under way to make it a separate department. A complete cadastral survey is now being planned for the province and will cover a series of years. It is estimated that the present tax of $6,000,000 annually can thereby be raised to approximately $30,000,000.

Finance Department

The Finance Department collects all taxes under the jurisdiction of the Provincial Government and disburses all monies according to the adopted budgets determined by the Executive Committee.

With the exception of $6,000,000 per year of likin tax which is paid to the Central Government, the land, likin, deeds, and miscellaneous surtaxes are collected by this department and used in this province. There has been a difference of opinion between Central Government and the Provincial Government concerning the collection of the cigar and cigarette tax which is considered to be a provincial tax. A temporary adjustment has been made whereby the Central Government will continue to collect this tax, but in lieu of it will pay to the Provincial Government the sum of $1,200,000 per year for road construction. There are a number of land surtaxes which are to be abolished so far as the name is concerned, but really all combined into one land tax. The likin tax is also to be abolished and a new tax levied on business rather than on goods in transit.

Construction Department

The Construction Department has charge of all communications and public works and at present also includes industry, which is later to become a separate department.

Road Building

This department has laid out an elaborate program of road building to cover the next four years. The plans call for 2,500 li (830 miles.) during the first period of one year and a

half. Including roads previously built and those newly constructed, about half the mileage for the first period has already been completed. In four years they hope to complete 8,000 li (2,666 miles) in the Province. This project is to be financed by the issue of bonds to supplement the grant from the Central Government in lieu of collecting the cigar and cigarette tax. The Public Works Department of the city government is doing much needed road and bridge construction within the city limits.

Wireless

A large transmission and receiving station has recently been completed at a total cost of $45,000. This installation is operated on a 1/2 kilowatt input power, with a wave length of 600 meters and has a transmission distance of 750 miles. It will be used primarily for telegraphic code messages for government service within the Province. There is also a new radio telephone station in process of construction which will cost about $18,000 and will be used to broadcast lectures, music, etc.

Wireless receiving sets are now being installed in all of the 79 magistracies. At present 49 are connected with Hangchow by direct telegraph, and 16 by direct telephone. In one year's time all of the magistracies are to be connected by wireless, telegraph, and telephone.

Mines

The Government proposes to reopen and operate the coal mines at Tsang Hsin, at a cost of $600,000. A cement factory at the same place is also contemplated.

The Chekiang University

The Chekiang University serves as the Educational Department and follows in general the French and New York University plan of organization. It has general supervision and control over all schools in the Province. The registration and standard of curriculum come under its purview. It has direct supervision of the Agricultural School at Hsien Gyao, with an enrollment of two hundred, and of the College of Technology at Hangchow with seven hundred students.

A College of Philosophy, Literature, and Science, is to be opened next fall the budget of which has already been provided. A Medical College is to be established next year and then a Department of Social Science.

Secretariat

In addition to the regular work of the Secretariat, there is attached to it the Farmers and Laborers Bureau which in the future will be organized into a separate department.

Militia

In Chekiang Province, there is a standing militia of about 7,000 men who are being used largely for the suppression of Communism and banditry.

Finance and Economic Planning Commission

This Commission under scientific management, makes the budgets, does the financial planning and is responsible for audits. Its plans, after having been approved by the Provincial Executive Committee, are turned over to the Finance Department to be put into operation.

Opium

The Provincial Government has taken a stand against an opium monopoly for revenue. There has been a great deal of dissatisfaction with the action of the Central Government, which has placed the work of the Opium Suppression Commission under the Finance Bureau of the Central Government.

Widening and improving "Great Street" in front of the Mohammedan Mosque in Hangchow, the capital of Chekiang Province.

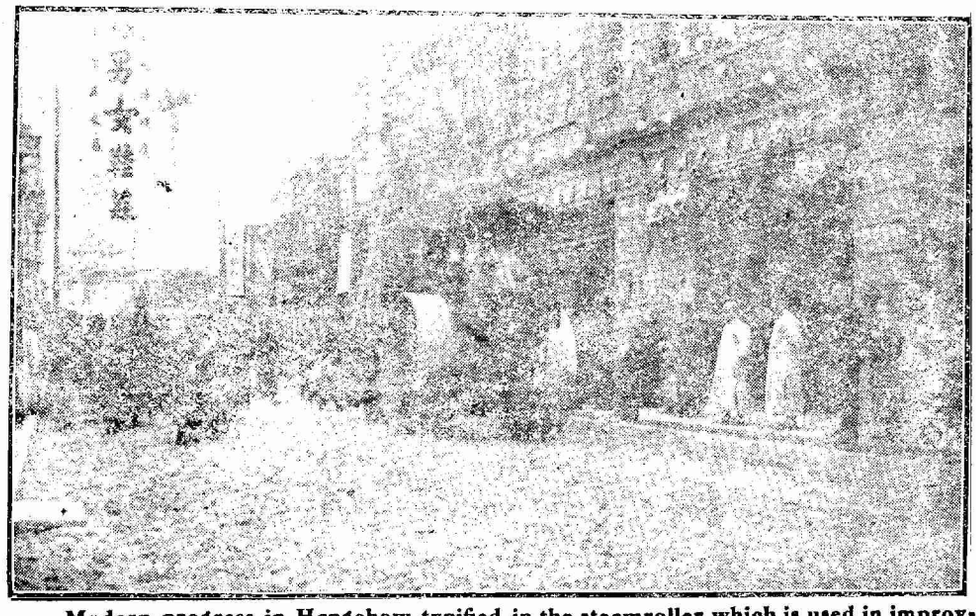
Because of this action, some of the Chekiang officials have resigned from the Opium Suppression Committee of the Central Government, as a matter of honor and a protest against this action. There is much evidence to show that the Chekiang Government is standing for real opium suppression, and does not favor its use as a source of revenue.

Communism

Every effort is being used, according to official statements to suppress Communists and their propaganda. Only twenty-six executions of Communists have been reported in this province, the least of any province under Nationalist control. 400 arrests have been made but these people are being liberated upon the double guarantee of (1) the family, and (2) a business man of repute.

Personnel

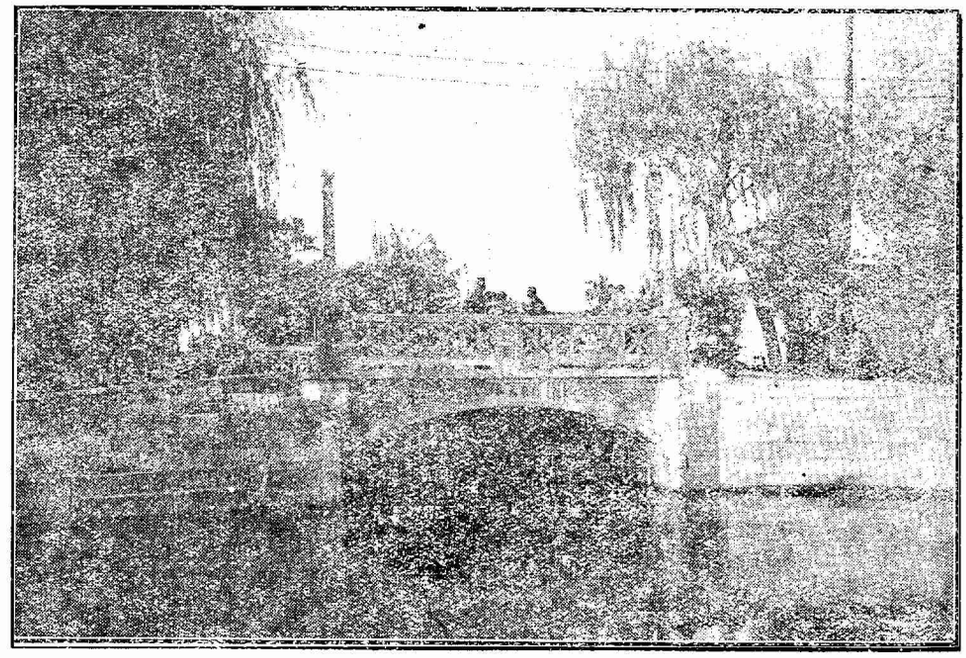
The high grade men who have been attracted to assume public office as a means of patriotic service, are largely responsible for the achievements of Chekiang Province. We may doubt the wisdom of some of the plans and practices but we cannot doubt the higher motives that are actuating the new type of official. The old official thought it sufficient to maintain the status quo; the new man sees the necessity of improving conditions, of giving real thought and study



Modern progress in Hangchow typified in the steamroller which is used in improving and modernizing the streets of the city and roads of the surrounding area.

to the government and social problems. They very best technical and scientific thought and experience are being brought to bear upon the solutions of these problems. The offices of chief responsibility are being manned by University men, most of whom have had the benefits of supplementary education either in America, England, or Europe. This is the first time that the "returned student" has had a large place in the political life of Chekiang.

Whatever is achieved will be in the face of obstacles and difficulties seldom equalled in political history. The "come back" in Chekiang has been most encouraging and we trust may lead the way to similar conditions throughout the whole of China.



One of the new concrete bridges, electrically lighted, which has been constructed in Hangchow by the Public Works Department of the local city government.

Some Mistakes of the Nationalist Revolution

BY CHEN KUNG-PO*

We recognize in the Chinese Nationalist Revolution three distinct stages, not "fated" or "predestined," but each with its distinctive background responsible for its development. From the reorganization of the Kuomintang in 1924 to 1925 (during which time the Nationalist Government was formed in Canton) the period may be characterized as the Revival period. From that time on to the start of the Northern Expedition in 1926 was the Golden period. From then on to the creation in Nanking of the Central Special Executive Committee may be referred to as the Precarious period, with the whole revolutionary plan in danger.

We must understand that in a revolution there must be agreement between theories and deeds, whether of a revolutionary party or of an individual revolutionist. Where actions conflict with theories, it is essentially not revolutionary. This is the first point. Secondly, deeds must be from the standpoint of the revolution, not from a party standpoint. Otherwise the revolutionary force will be dissipated and lost in contradictions.

In the past there were numerous cases of conflict between our actions and theories, very evident by the time we reached the Yangtse. Our failure, I believe, is to be traced to the time when the revolutionary armies occupied Hankow, just before the fall of Wuchang. Last March in my article "Back to the Party," published in Nanchang, I predicted the failure which we see now. We must accept the consequences as established facts.

(a) The Communist Betrayal of the Nationalist Revolution

As members of the Kuomintang, we cannot excuse ourselves from responsibility for the failure of the revolution, but the heaviest blame rests upon our supposed allies, the Chinese Communist Party. The original expressed motive of the Communist Party in affiliating with the Kuomintang was to enter into the Nationalist revolutionary movement, but the results showed their actions to be counter-revolutionary.

Party not Representative

According to the theory of the Communist Party they represented the proletariat. As a matter of fact, with conditions as they were in China, the contrary was the case. This party was not only not representative of the Chinese proletariat, but they had created obstacles to the existence of such.

Firstly, what may be called industrial workers in China total not more than 2,700,000 persons. The Communist Party, sheltered under the political influence of the Kuomintang, had within a few years reached a membership of 40,000. Of this number, however, half were students,-petit-bourgeois. Two and a half million workers were a good field for communist activity, but the petit-bourgeois student body, aiming primarily at the exploitation of politics, were entirely ignorant of the workers' problems and welfare.

Secondly, in semi-colonial and agriculturally bankrupt China, the wage of the industrial worker is about equal to the income of the average "middle-class" man. Hence, though a laborer in nature he is essentially petit-bourgeois in his living standards.

For these two reasons, the Communist Party could not but desert the masses that they claimed to represent, and concentrated their whole effort on the conquest of political power. "Agrarian revolution" and similar slogans became false expressions of pseudo-communism, the real object of the party being the taking of political power from the Kuomintang. So today all that they carry out are acts of violence, murder, and wholesale pillage, thus departing altogether from the revolutionary path and the seeking of the welfare of the masses, to say nothing of a party platform.

M. Joffe, the Soviet Representative to China, told me in Tokyo in 1923 that the Soviet Government (?) had ordered

*On August 21, 1925, Liao Chung-hai, head of the Kuomintang Peasants Bureau, was assassinated at Canton supposedly by an anti-Red clique in the Kuomintang. He was succeeded in September 1925 by Chen Kung-po, the writer of the present article, who thereby became director of the Bureau of Labor and Peasants, the outstanding Bureau in the eyes of the Communists, in the then nascent National Revolutionary Government. Chen continued on in the Kuomintang Government and when Chiang Kai-shek finally succeeded in reaching Hankow, he took a prominent part in the organization of the Nationalist Government in that city in 1926.

Among those who joined this group were Chen Kung-po and Tang Ping-san together with several avowed anarachists. The latter however, quickly broke away from the Communists on the grounds of principle.

At the first congress held in Shanghai in May 1921, it was decided that the group would follow Communistic principles and that their goal would be the organization of the proletariat and the ultimate seizure of power under the guidance of the party. Chen Kung-po and Li Hang-ching could not adhere to this program and later dissociated themselves from the party. Chen has been wrongly accused of being a Red by political opponents in the Kuomintang because of his connection with the so-called Wang Ching-wei conspiracy of November 17, 1927, at Canton but in this article he demonstrates that while remaining loyal to Dr. Sun and the party, he was at heart personally opposed to an amalgamation which ultimately proved so disastrous to the Kuomintang.

In August 1922, the Chinese Communist group, through its Central Committee, passed a resolution agreeing to amalgamate with the Kuomintang. This proposal was heartily received by Dr. Sun. In this article Chen attempts to lay the blame for the failure of the resolution upon the Chinese Communist party. It is true that the proposal originated with the Communists; but the decision to accept them into the Kuomintang, rests primarily with Dr. Sun, Liao Chung-hai and Wang Ching-wei. The probable truth of the matter is that the political fortunes of Dr. Sun were at such a low ebb at this time that he was quite willing to accept aid from anybody, even the "Imperialists," in order to bolster up his waning political fortunes.

Further articles by Chen Kung-po, who is a graduate of Columbia University, New York, will appear in forthcoming issues of *The Review*.

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the Chinese branch of the Communist Party to affiliate with the Kuomintang for the express purpose of completing the Chinese Nationalist revolution. He said emphatically that Dr. Sun's *San Ming Chu I* was the only practical set of principles for China, and Communism impossible.

Being aware that Soviet Russia was ruled absolutely by a Communist Party, but that there was no real fulfillment of Communism, I asked Joffe how long would it take Communism to eventuate there. He doubted if a hundred years would be sufficient. Liao Chung-kai (a Kuomintang man of established standing) was present, and remarked, "Let us be revolutionists of the present, and forget about a hundred years hence. We should try to fulfill the *San Min Chu I*. The rest can go." Therefore I believed in the sincerity of the Chinese Communist Party in agreeing to assist in the Nationalist Revolution.

In April 1925 I participated in the suppression of the Liu-Yang revolt and the reorganization of the Nationalist Government and the Kwangtung Provincial Government, and subsequently in the organization of the Hongkong-Canton general strike resulting from the notorious "May 30 massacre" (in Shanghai). Not long afterwards I received a report that the Communist Party did not feel that the Kuomintang should lead this boycott, and that above the name of the Hongkong-Canton Strike Committee should be added the name of the All-China General Labor Union, which body was in the hands of the Communist Party. When I succeeded Liao Chung-kai as Chief of the Peasants' Department of the Kuomintang Central Executive Committee, a report was brought to my notice saying that the Communist Party had ordered its members working in the peasant movement to submit all reports of importance to the C. P. only, it not being necessary to report to the Kuomintang.

Communists Oppose Nationalists

I at once brought these two Communist Party orders before Borodin, and asked if they were genuine, and if so what would the C. P. have to say in explanation. "If I do not make these public I lose my status as a faithful Kuomintang member. If I do make them public it would mean an immediate split between the two parties, with disastrous effects to the progress of the revolution." Borodin after deliberation admitted this action as petty, and promised to guard against its recurrence. Here I first discovered the revolt of the Communist Party against the Nationalist revolution,—my first disappointment with the C. P.

Before the general mobilization for the Northern Expedition in 1926, I obtained reports of the plot of the Communist Party: Firstly, to have Hunan, Hupeh, and Honan as bases for communist activities. Secondly, to emphasize the strategic points of Hankow and Shanghai. Our immediate point of attack being Hunan, and the first objective Wu-han, the oncoming conflict of the Communist Party with the Nationalist Revolutionary movement could be foreseen.

In July I had a second argument with Borodin, over, first the right of leadership in the process of our revolution; secondly, class war as fostered by the Communist Party. As regards the first point, I said that in any revolution, to achieve success the right of leadership must first be determined, and this must be done by studying the needs of the people. If China needs a Nationalist revolution, leadership rightfully belongs to the Kuomintang and should not be taken away by the Communists, as the revolution without proper leadership would be a failure. The Chinese Communist Party appeared to wish to participate in this leadership. The two parties had had numerous conflicts of interest, these being over the endeavor to win the masses, including the peasants and laborers, and evidencing the struggle for leadership. The problem must be properly settled, and the right of leadership should belong to the Kuomintang.

With regard to the class war, I declared that this was merely a statement of a fact. If such a war existed, it would continue in spite of attempts to stop it. If it does not exist it will not be carried on, in spite of efforts to foster it. According to Marx, there are stages in class struggle, the essential prerequisite being the disappearance of the middle class, leaving society with just a bourgeoisie and a proletariat, forming two strongholds contending against each other,—class war in the meaning of scientific socialism. China, is a semi-colonial country, with the industrial workers numbering only 2,700,000. We cannot for the sake of this number disregard the other three hundred and ninety million. 2,700,000 is not a very big number, and it is still doubtful whether its constituents are sufficiently revolutionary. The Chinese bourgeoisie can mean only those who have some money,—not bourgeoisie in the real sense of the word, as they are not economically and politically organized, and still less have any control over the social aspects of production and consumption. What actually controls China is the foreign bourgeoisie. As far as China is concerned, we find no organization or training among either the so-called bourgeoisie or the so-called proletariat. The real influence in Chinese society is the middle class. Conditions are such that if we attempt to promote class war the result would be an internecine struggle of all classes,—a free-for-all resulting, first, in the destruction of nationalism, endangering the revolution; second, in the withdrawal of the petit-bourgeoisie from the revolutionary front, weakening the main social source; third, creation of mutual distrust, making Dr. Sun's economic principles more difficult of realization; fourth, lowering of production, further depreciation of the value of the proletariat, making it impossible to build up national capital and handicapping the fruition of Dr. Sun's economic principles. . .The oppression of the bourgeoisie makes the middle class a part of the proletariat. Instead of taking advantage of this, the Communist Party tries to wipe out the middle class forcibly, through the power of the proletariat. The result is the alliance of this middle class with the bourgeoisie.

When Borodin Weakened

After long discussion, Borodin verbally approved the first point,—that the right of leadership should belong to the Chinese Kuomintang. As to the second point, he maintained his conviction of a class war, and questioned the possibility of a confused struggle endangering the progress of the revolution. This convinced me that the Communist Party had entirely abandoned Karl Marx,—my second disappointment with them.

By July 12, 1927, the two parties had reached the inevitable split. On July 13 the Communist Party issued a manifesto declaring their withdrawal from the Nationalist Government, and on July 15 the Kuomintang passed a resolution restricting Communist activity. On the night of the thirteenth Tang Pin-san (a leader of the Communist Party) called on me for a last meeting. As the last conversation during the Communist rupture with the Kuomintang, I consider it of interest.

I suggested that we speak, as this would probably be our last meeting, not as party men but simply as revolutionists,—the revolution being for the masses and not for a party. I also proposed that we center our conversation on the subject of the Nationalist revolutionary leadership and the forcible expropriation of land by peasants. Tang agreed.

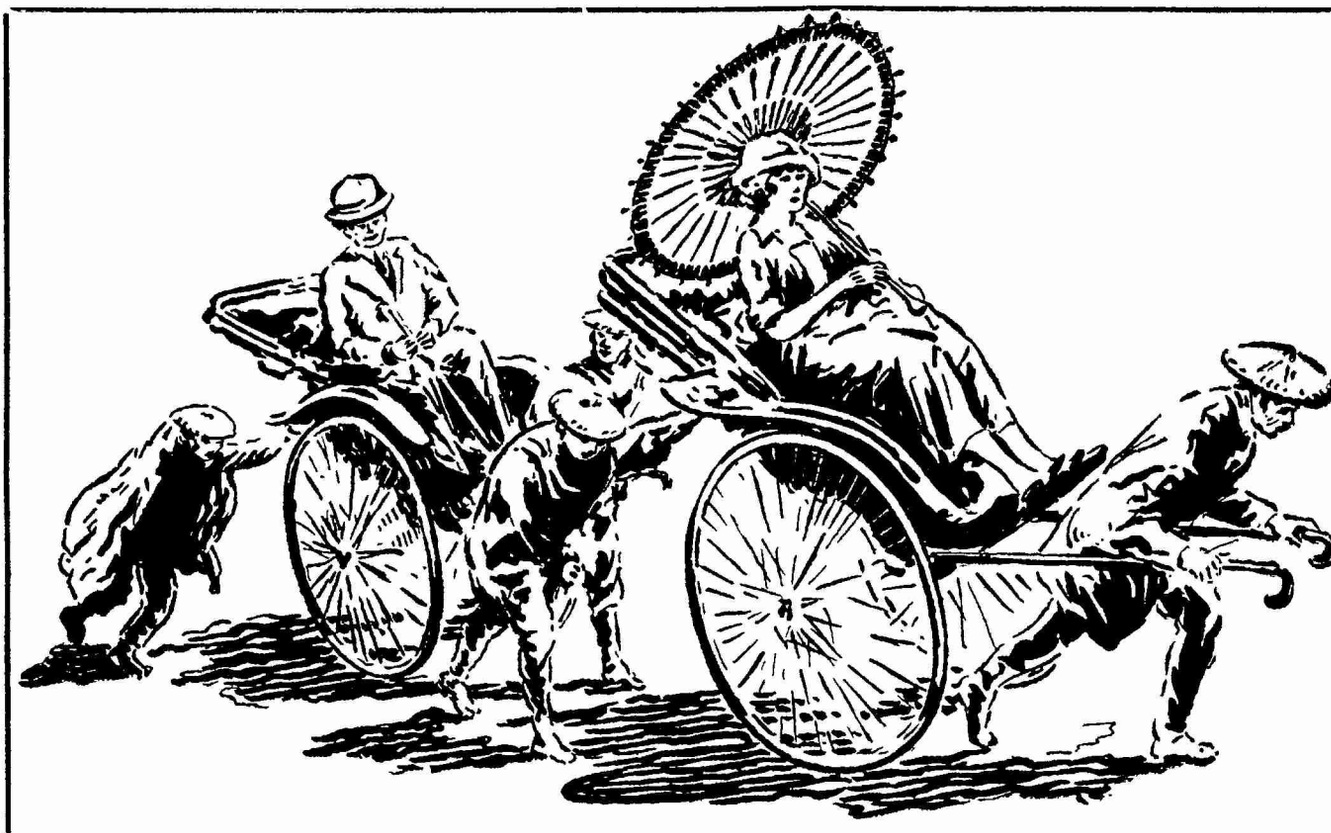
With regard to the first point, he asked if the Kuomintang was sufficiently revolutionary, and based on the welfare of the peasants, workers, and petit-bourgeoisie. I responded that being revolutionary or not depended upon the individual, and was not a question of party. Perhaps not every Kuomintang member is revolutionary, but possibly the same was true of Communists. If the Kuomintang is not representative of the peasants, workers, and petit-bourgeoisie what should be done.

He replied that the Kuomintang should either be reorganized or a third party formed. The Communist Party should also exist.

I said that the constituent elements of the Kuomintang were much the same as those of the Communist Party. In case of reorganization, however, or the formation of a third party, it should be possible to practically represent the peasants, workers, and petit-bourgeoisie. For what should the Communist Party still exist?

He responded that the third party might not be honestly representative, and it was necessary to have the C.P. to promote it. To this I replied that if we had no confidence in this third party and would have to have a C.P. to push it, though it would be just as likely that the third party would also not be representative, and we would have to organize a fifth and sixth. That would seem to be an endless process.

We turned to the land problem. I said that the Kuomintang proposed to solve it through political methods, while the Communists favored violence by the peasants. It was a real problem, but how to solve it was still a question. Capitalist England, by a partial application of Henry George's ideas, hoped to solve her land problem. Soviet Russia, through the temporary adoption of the "Cultivator-ownership of the land" policy, gradually transferred the ownership of land to the state. But China's land problem lies not so much in tillage land as in the capitalization of tillage. Land in the Yellow River "loop" in Kansu and Sinkiang, rich and virgin, lacks tillers. Land in Charhar district has been priced at about seventy cents a mow (one-sixth of an acre), and that in the neighborhood of Kalgan at only twenty cents. In general to secure land north of the Yellow River basin is out of the question. South of the Yellow River also there are more people than land. But my investigations in Kiangsi, representative of the Yangtse valley region, showed less than ten families throughout the province owning one thousand mow of land or more, less than three in any single district owning 500 mow, less than five in each district owning as much as from one to two hundred mow. Figuring from twenty persons to a family, even absolute confiscation would mean for each person within these families no more than ten mow. Thus if private



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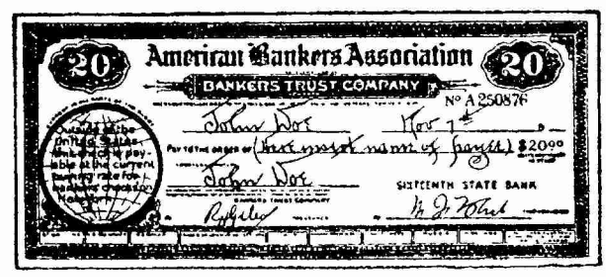

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ownership is to be considered a crime, expropriation would only serve to transfer titles from some persons to others—a long way from state ownership. Therefore the only solution to the land problem in the south is the completion of the revolution, when we could effect a migration of surplus population northward and also build up the national industries to absorb the landless peasants. Otherwise A would seize from B, B from C, with no end to violence, and political bankruptcy result.

Land Problems

Tang declared that there was no historical instance whereby land problems had been solved by political means. Forcible expropriation by peasants was the only way. I responded that if the problem could be solved once for all through a single strike of violence I would be willing, as a revolutionist, to agree. But it is impossible to solve it so. And the problem has also such aspects as the application of modern agricultural knowledge and the local maintenance of order. It is not simply a problem of land distribution.

He replied that if the first act of violence failed, we should carry on a second one, and continue if necessary to the nth time. I asked if that was his argument or Moscow's, and he said it was Moscow's. I responded that we were in this revolution for the deliverance of the suffering masses. In the course of a revolution there are bound to be losses, owing to the general interference with production, but whether a revolution would be considered a failure depended largely upon the restoration of normal conditions afterward. If normalcy can be achieved and the losses made good, the revolution is a success. If afterwards order can not be maintained or losses made good, reaction is likely to follow. As to the proposal of one violent act after another, before we could have more than two violent acts reaction would arise from all sides and directions, reaction not simply meaning counter-revolutionary uprisings, but within the revolutionary party itself. If we were unable to plan to maintain the strength of the revolution, reactionary inclinations might develop. Fundamentally, therefore, the Kuomintang and Communist Party approach the land problem with different methods, The C. P. stands for forcible expropriation because they have no confidence in the Kuomintang methods, i.e., they are in opposition to the principles of the Nationalist Revolution.

I do not know if Tang still maintains the convictions he then expressed. His recent expulsion from the Communist Party has been reported.

Activities Versus Theories

After this discussion I felt the Communist Party hopeless. Their activities have been contradictory to their theories, and have been not from a revolutionary but from a party viewpoint. They have lost the essence of revolution and are no longer to be considered fundamentally revolutionary. Their theory was that for the sake of the revolution they should ally themselves with the peasants, workers, and petit-bourgeoisie, and for the Nationalist revolutionary movement should affiliate and co-operate with the Kuomintang. But in fact, since there were no big bourgeoisie in China, they challenged everywhere, in Hupeh and Hunan, the petit-bourgeois, even oppressing them and thus creating an unprecedented economic crisis. They ordered all their members outwardly to advocate the *San Min Chu I*, to show they were co-operating with the Kuomintang, while they simultaneously directed their members to severely criticize its lack of thoroughness.

The resolutions passed in Moscow were worse. They ordered their Communist members to co-operate with the left wing of the Kuomintang, thus building up a strong central bloc within the Kuomintang, and simultaneously used all methods to induce the better and more active members of the Kuomintang to join the Communist Party, shattering the left wing of the Kuomintang, thus building up a strong central bloc within the Kuomintang, and simultaneously used all methods to induce the better and more active members of the Kuomintang to join the Communist Party, shattering the central pillars of the Kuomintang. All these acts indicate entire departure from a revolutionary spirit.

Then came the revolt of the Communist generals, Yeh Ting and Ho Lung in Nanchang,—another proof and open sign of the revolt of the Communists against the Nationalist movement. In Hai-lu-feng, Kwangtung they organized a "Soviet-in China." In the violence of December 11 in Canton they killed, burned, and plundered as a demonstration of their strength. These things plainly showed that the Communists cared nothing for party or revolution, but only for revenge against the Kuomintang. From the Nanchang uprising to the present the Communist Party has been entirely devoid of the revolutionary spirit, and have no interest in the welfare of the masses—the peasants and workers they claimed to represent. They have revolted both against the revolutionary cause and against Marxian principles. They care nothing for the materialistic interpretation of history.

From beginning to end, they have failed to make their actions conform with theory, and they have violated the principle calling for other than a strict party point of view. They have gone from a revolutionary motive to counter-revolution. But most of all is the fact that on account of this our National Revolution has entered upon a most precarious stage of breakdown, forcing the Kuomintang itself to commit such serious blunders amid such discordance.

Press Cnmment on the China Situation

The Manchester *Guardian*, May 19, stated that the danger of disturbances at Tientsin and Peking is a matter for joint action by the Powers, not for isolated intervention by Japan. The *Guardian* added that the Japanese Government's Note contained an obscure but serious menace. "One might," the paper declared, "suppose Manchuria a Japanese province instead of being, at least nominally, a Chinese dependency."

Referring in the course of an editorial to "this new, momentous step," namely, the Japanese memorandum to the Peking and Nanking Governments, the London *Times* says that the Japanese Government has almost involuntarily—impelled by anxiety for its own interests in Manchuria—spoken of "a united China." That phrase, the paper says, spoken by such a powerful neighbor at this moment of extreme confusion, should have a profound effect in China. A great responsibility, The *Times* declares, rests on Japan; the consequences of her action cannot be easily measured.

The *Times* says, in conclusion, that wise restraint on the part of Japan, however, may greatly advance the solution of the Chinese problem. "Her own national interests," the paper asserts, "her position as a leading Power among the Far Eastern nations are plainly at stake in such an enterprise."

Why the League Was Embarrassed

(From the Japan Chronicle)

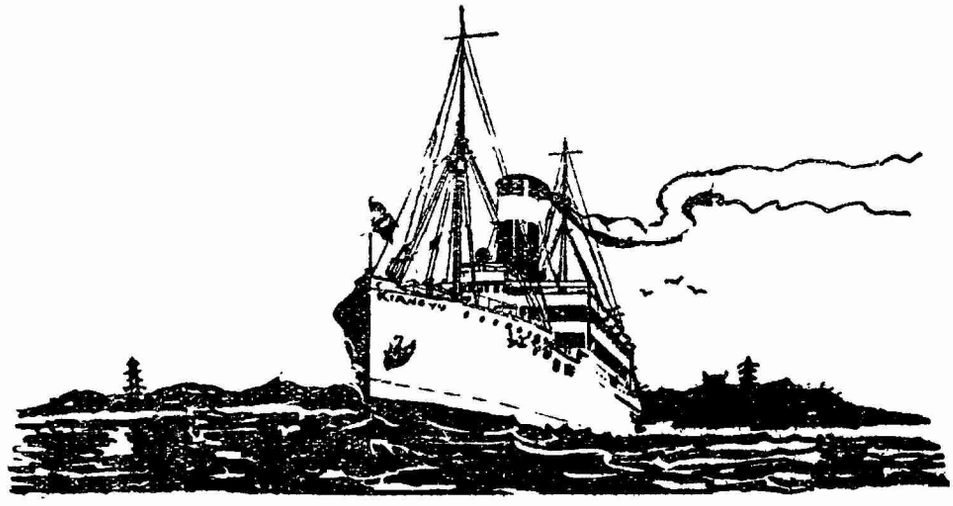
A telegram from Geneva states that the appeal made by the Chinese Nationalists to the League of Nations concerning the invasion of Shantung by Japan has caused quite a flutter. This flutter is described as being due to the fact of the Nanking Government not even being a member of the League, the consequence of which, from the juridical point of view, is that the appeal has hardly any standing. If the appeal is so ineffectual, then why the flutter? But it is a strange sort of League if it refuses to listen to any communication from nations which are not members. Such an attitude reduces it to a sort of combine for self-interest.

We may pause for a moment to consider how China should go about it if she does wish to appeal to the League. She is a member, and the Minister to Paris is a member of the Council of the League. But on the other hand, she has not even enough of a Government to exercise territorial authority. At least, we are told that Great Britain wants to hand over Weihaiwei, but simply cannot find anybody to entrust with it. On the other hand, Britain is in treaty relations with the Hankow Government—a Bolshevik affair that the Chinese themselves could not stand; and exactly how the British Government stands in relation to the Nanking Government which succeeded it, we must confess we do not quite understand. Britain being an important member of the League, would her failure to recognise the Peking Government as functioning for territorial purposes embarrass the League in the matter of recognition if Peking endorsed the Nanking appeal? The one thing that the members of the League are agreed upon is that China is an independent sovereign State; but beyond that general theory they are unable to get unless there happens to be a tight corner somewhere, necessitating the recognition of facts for a season. However, the experienced gentlemen who pilot the League past embarrassing situations will never fail to find some good reason why it should not perform its functions. The Council consists of representatives of the Powers, all diplomatists of the old school, anxious only to achieve permutations and combinations that shall give them some silly advantage. Before this body appeals come, and if it does not think it desirable, it does not present them to the Assembly at all.

Japanese Press Opinion

While agreeing in principle with the Government's memorandum to the Chinese belligerents the Japanese papers express great anxiety lest the proposed steps should inadvertently assist Marshal Chang Tso-lin and thus bring down the wrath of the Southern faction on the heads of the Japanese.

The *Asahi* condemns Mr. Yoshizawa's advice to Marshal Chang Tso-lin to return to Mukden without fighting as the paper considers that it is equivalent to helping him to avoid the destruction which otherwise is likely to occur.



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Japanese Interference Delays Northern Fight

BY J. B. P.

Since Shantung was the first Japanese defense against the Nationalist advance across China, Peking and Tientsin may be considered the second Japanese line of defense. The Nationalist armies under Generals Chiang Kai-shek and Feng Yu-hsiang were able to overcome the almost insurmountable difficulties erected in their path by the Japanese intervention in Shantung Province. Now they are up against the Japanese second line of defense in the Peking-Tientsin area and a further delay is being experienced.

Location of Contending Armies

According to reports from Peking early in the week, Marshal Chang Tso-ling's Fengtien troops and their Chihli and Shantung allies are now defending an area roughly bounded by Peking on the west, Paotingfu on the southwest, Tientsin on the east and Machang on the southeast. Within, this area, the Peking "dictator" has approximately 80,000 men, most of which are Fengtien or Manchurian troops but included under the Fengtien banner are a considerable number of Chihli and Shantung troops which were driven out of Shantung Province by the Nationalists late in April and early in the present month. The Chihli-Shantung troops are commanded by General Chu Yu-puh, tupan of Chihli Province, Chang Chung-chang, former tupan of Shantung and Sun Chuan-fang, former Northern tupan of Kiangsu, but who, since his eviction from the Lower Yangtsze area, has been assisting Marshal Chang Tso-ling in Shantung Province. Other subordinate commanders in the Fengtien group are Yang Yu-ting, Chief-of-Staff and Chang-Hsueh-liang, son of Marshal Chang Tso-ling.

The Nationalist armies in opposition to Marshal Chang Tso-ling are said to be approximately equal in number, that is 80,000, and are commanded by Chiang Kai-shek, generalissimo of the Nationalist forces; Feng Yu-hsiang, commander of the Kuominchun forces and Yen Hsi-shan, commander of the Shansi forces. All three of these Nationalist commanders are now together in the vicinity of Paotingfu where they recently held a conference. T. V. Soong, Nationalist Minister of Finance was present, as was also Gen. Bei Tsung-chi, Commander of the new Nationalist army which has just been organized at Hankow for the purpose of assisting in the final drive against Marshal Chang Tso-ling.

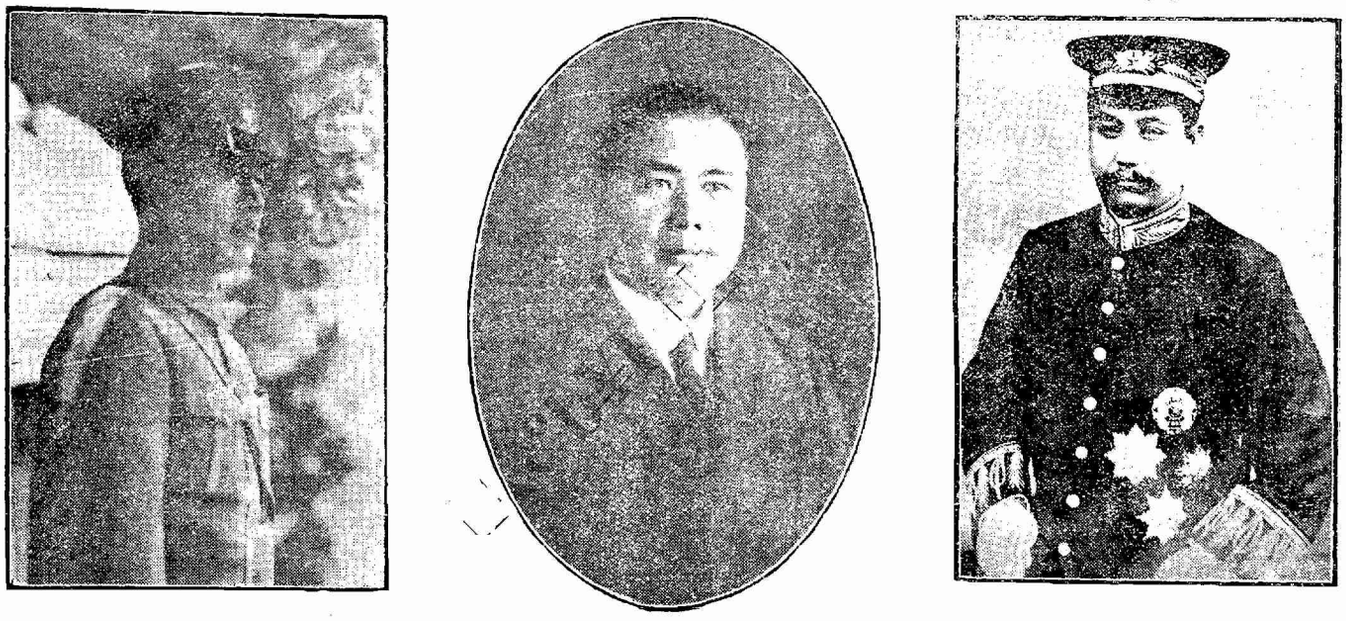
Decisive Battle Pending

Owing to the complications of the Japanese intervention in Shantung and the Japanese declaration and ultimatum to Marshal Chang Tso-ling regarding Manchuria, it is difficult to forecast what is likely to happen in respect to the Nationalist advance on Peking. Immediately following the clash between the Nationalists and the Japanese at Tsinan, Marshal Chang Tso-ling issued a mandate ordering a cessation of hostilities and at the same time withdrew his troops from northern Shantung and southern Chihli and in addition evacuated the area to the north of Peking in the vicinity of Kalgan and Paotochen. The Peking Dictator apparently was planning to withdraw to Manchuria for foreigners in Tientsin reported that trains loaded with war materials were being shipped out of the Peking and Tientsin areas to Mukden and the families of Fengtien officials, including Marshal Chang Tso-ling's family were departing for the North.

The Fengtien withdrawal was so rapid that only small forces of Nationalist cavalry were able to keep up with them, but at this point Japan intervened again with her declaration warning both the Peking and Nanking Governments against carrying the war into Manchuria and with the ultimatum to Marshal Chang Tso-ling (referred to elsewhere in this issue of *The Review*) warning him that in the event he was defeated at Peking and Tientsin that his troops would not be permitted to return to Manchuria, or if he wished to return to Manchuria, he could only do so under certain conditions which would have the effect of making Manchuria a Japanese protectorate and Marshal Chang Tso-ling more of a Japanese puppet than he has been in the past.

Japanese Force Chang to Fight

The effect of the last Japanese action has been to put the Peking dictator in a hole and force him to fight, for obviously to return to Manchuria under conditions which the Japanese have laid down would be tantamount to a complete surrender to the Japanese military with permanent Japanese tutelage for the future. It is still too early to determine what is likely to happen, but Marshal Chang Tso-ling apparently is determined to fight, despite the fact that most of his subordinates are reported to have advised acceptance of the Japanese ultimatum



The Three Nationalist Military Commanders Now Directing the Final Drive Against Marshal Chang Tso-ling From left to right they are, Gen. Chiang Kai-shek, Gen. Feng Yu-hsiang and Gen. Yen Hsi-shan.

It is also reported that the subordinate commanders in direct charge of the Chihli-Shantung troops under Marshal Chang Tso-ling are threatening to rebel and go over to the Nationalists.

The whole situation in the North is therefore in a muddle and is likely to remain so until the Nationalists have a sufficient force available for advancing against Chang Tso-ling's troops and forcing the issue despite the wishes of the Japanese who are doing everything possible to prevent the Nationalist occupation of the Peking-Tientsin area, the Japanese in the meantime having landed more troops at Tientsin, strengthened their garrison at Peking and in addition have moved large bodies of troops into Mukden the capital of Manchuria and have also intervened at Shanhaikwan near the border between Chihli and Manchuria provinces for the purpose of preventing the retreat of Chang Tso-ling's troops into Manchuria.

What is likely to happen in the North is therefore impossible to say at this time, but according to the Nationalist officials at Shanghai it will probably require another week for them to have sufficient forces of infantry and artillery on the Northern line stretching from Paotingfu to Machang to warrant a determined push against the Fengtien troops. There is also a possibility that Marshal Chang Tso-ling may abdicate, which action, according to general belief, would enable the Nationalist Commanders to reach an understanding with the subordinate commanders in the Fengtien camp such as Yang Yu-ting and Chang Hsueh-liang.

The Tsinan Situation

The situation in Shantung Province remains quiet with the Nationalists in control of all of the province with the exception of the eastern end of the peninsula which is still controlled by remnants of the Northern forces and the zone of the Shantung Railway which is controlled by the Japanese military. According to the latest information available on Tuesday, May 22 when these lines were written, practically nothing has been done by either the Japanese or the Nationalists to adjust the Tsinan incident. The Japanese Military Commander, Gen. Fukuda, on May 7 issued a series of five demands (1) punishment of high Nationalist commanders involved in the Tsinan incidents; (2) disarming of Nationalist troops involved, the number being between 30,000 and 50,000; (3) cessation of anti-Japanese propaganda throughout the country; (4) withdrawal of Nationalist troops from a zone of 20 li (7 miles) from Tsinan and Tsingtao and along the entire length of the 250 mile Shantung Railway; (5) evacuation of two villages in the vicinity of Tsinan where the Chinese military barracks are located.

When the Nationalists either refused or were unable to comply with these demands within the twelve hours fixed by the Japanese, Gen. Fukuda ordered a bombardment of the walled city of Tsinan and after two days occupied the place. The following day Gen. Chiang Kai-shek sent two representatives to call on Gen. Fukuda and informed him that the Nationalists would adopt the following course in respect to the Japanese demands: In reference to the first demand for the dismissal and punishment of high Nationalist military officers, Gen. Chiang informed the Japanese that Gen. Ho Yao-tsu, who commanded the Nationalist forces first to enter Tsinan, had been dismissed, not on account of the Japanese demands, but because of Gen. Ho's violation of Gen. Chiang's orders against the entrance of Nationalist troops into the commercial area which was guarded by the Japanese troops.

The second demand of the Japanese for the wholesale disarming of the Chinese Nationalist army numbering between 30,000 and 50,000 troops, Gen. Chiang ignored because of the manifest impossibility of any Nationalist commander or Government either to comply with it. In reference to the Japanese third demand for the cessation of anti-Japanese propaganda, Gen. Chiang informed the Japanese that the Nationalist Government had issued orders against such propaganda and also had ordered full protection being given to Japanese nationals residing in China. In regard to the fourth Japanese demand pertaining to the evacuation of a zone of 20 li about Tsinan and Tsingtao and along the railway, Gen. Chiang informed the Japanese commander that he had already ordered his troops to proceed to the front, but he made a counter-proposal that Nationalist troops be permitted to police the Shantung Railway and that a small force be permitted to remain within Tsinan for the policing of the city and the protection of public utilities. As to the fifth Japanese demand, regarding the evacuation of certain villages in the vicinity of Tsinan, Gen. Chiang stated that these villages had already been evacuated by his troops.

The Japanese commander, according to latest information, has not replied to this proposal by the Nationalist Commander-in-Chief. In the meantime the formerly prosperous city of Tsinan, the capital of Shantung Province, has been turned into a dead city from the standpoint of business and public activities. All officials have evacuated and most of the population has also departed for other places owing to the continued arbitrary actions of the Japanese. The Japanese have tried to induce the Chinese General Chamber of Commerce to cooperate in the administration of the city, but according to latest reports, it has practically been necessary for the Japanese to establish a military government. All shops and banks in the city are closed and business conditions have become so stagnant that most of the Japanese commercial population has been forced to leave the place and go to Tsingtao due chiefly to the impossibility of obtaining daily food necessities.

The Japanese Predicament

The Japanese thus find themselves in a serious predicament, for while they control Tsinan and the Shantung Railway, they are holding nothing but an empty shell. There were unconfirmed reports in circulation early in the week that the Nanking Government had made three demands upon the Japanese in reference to the Tsinan situation: (1) that Chinese officials, including the Nationalist Commissioner of Foreign Affairs, Tsui Shih-chieh, be permitted freedom to return to Tsinan without interference or bullying by the Japanese military; (2) that the remnants of the Northern military forces still within the Japanese lines be evicted; (3) that all future negotiations between the Japanese and Chinese be conducted between the proper diplomatic officials and not between the Chinese and Japanese military officers. The latter demand is supposed to have been inspired by Gen. Fukuda's demand that the Tsinan incident must be settled by the military commanders and not by the diplomatic or consular officials.

Pictures Wanted

The China Weekly Review will pay a reasonable price for pictures showing interesting phases of Chinese life.

If you have pictures showing battles, soldiers on the march, pictures taken in the famine area, or any pictures having news interest—send them in. If they are not suitable, they will be returned to you.

Pictures should not be smaller than 3″ × 4″; if smaller, send along films for development.

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Men and Events

J. C. Huston has been appointed Consul at the U. S. Consulate General in Shanghai to take chare of commmercial work.

Radical reductions in the price of gasoline in Shanghai were made during the week. Pratts is selling at Mex. 0.69. Socony at $0.64.

Miss Julia Haskell, daughter of a well known missionary family in China, is to be married shortly to Mark Carmel at Los Angeles, Calif.

Mrs. Yoran, wife of Lieutenant Yoran, U. S. N., sailed from San Francisco May 11 enroute to Shanghai to join her husband who is stationed here.

Robert T. Bryan, American attorney in Shanghai, has been appointed Police Prosecutor for the Shanghai Municipal Council. He will assume office June 1.

The engagement is announced of Miss Doreen Bucan to A. E. Schumacher, manager of the Shanghai branch of the Equitable Eastern Banking Corporation.

W. Turner, general manager of *Reuter's* for the Far East, departed from Shanghai during the week for England. He expects to return in the early Autumn.

V. Rover, former representative in Shanghai for the Russian *Tass* News Agency, has returned to Shanghai from a trip to Moscow and has resumed his duties.

Prof. C. H. Robertson for the second time addressed the Rotary Club in Shanghai on Thursday, May 24. The subject of Professor Robertson's speech was "Television."

Miss Mary Lyon Lowrie of the American Presbyterian Mission, Shanghai, was married to the Rev. William M. Clark of Korea, at the Community Church May 14.

Thomas. F. Millard, correspondent in China for the New York *Herald-Tribune* departed from Shanghai for Tientsin May 22 and expects to be absent for about two months.

Mrs. Milton D. Purdy, wife of the Judge of the U.S. Court for China, and Mrs. John B. Sawyer, wife of an American Consul in Shanghai, are spending a holiday in Unzen, Japan.

J. V. Murray, for several years general manager of the Texas Company in the Far East, has been appointed manager of the Far Eastern department at the home office in New York.

Willys R. Peck, formerly stationed at the American Legation in Peking, has been appointed assistant to the Chief of the Far Eastern Affairs Division of the U. S. State Department.

O. D. Martinez, employed in the Shanghai office of the Robert Dollar Co., intends to depart June 1 for a holiday in the United States. Mr. Martinez will be accompanied by his mother.

Edward S. Little, who has recently returned from New Zealand, delivered a lecture on that country with particular reference to citrus growing, before the Royal Asiatic Society, Shanghai, May 25.

The U. S. House of Representatives May 18 approved an appropriation of over $9,000,000 for the immediate construction of naval munitions depots at Hawthorne, Nevada, Cavite, P. I., and Hawaii.

Mrs. Mary E. Coe will depart from Shanghai June 1 for Seattle where she will visit her son in-law and daughter, Mr. and Mrs. Earl Townsend. Mrs. Coe is the mother of Mrs. Paul M. Anderson of *The Review* staff.

Sun Kia-loh, assistant chief of the Locomotive Department of the Shanghai-Hangchow Railway Administration, was kidnapped May 17, while travelling in his private ricsha after leaving his office during the tiffin hour.

Mr. and Mrs. J. J. Connell arrived in Shanghai end of last week from Singapore. Mr. Connell is head of Connell Bros Co. and was a resident of Shanghai for many years, but in recent years Mr. and Mrs. Connell have made their home in Seattle.

Mrs. Frank P. McGinty of Tokyo visited friends in Shanghai last week. Mr. McGinty is employed in the Tokyo office of the National City Bank. Mrs. McGinty was formerly Miss Irene West, and employed in the Commercial Attache's office in Shanghai. She moved to Tokyo at the time of her marriage about two years ago.

Plans for a five-day fete are being formulated by a joint committee of the Pan-Pacific Association and the Y's Men's Club for the early part of June. The proceeds of the fete will be used for sending Chinese delegates to the Pan-Pacific Women's conference to be held in August in Honolulu, for the Chinese Mission to Lepers and for the Y's Men's baby clinic in Chapei.

The Chinese General Chamber of Commerce of Shanghai, the Chinese Red Cross Society and a number other charity institutions of Shanghai are in receipt of telegrams from Gen. Liu Hsiang of Szechuen Province telling of a fire which took place in Chungking recently, destroying 5,000 houses. More than 20,000 persons have thus been made homeless and left in straitened circumstances.

The American Chamber of Commerce in Shanghai has circulated information showing the advantages to senders of letters from the Orient in using the air mail service. Two business days are saved between Seattle and Chicago and 3 business days between Seattle and New York. Air mail posted in China should bear 13 cents in stamps for the first half ounce and 21 cents for one ounce.

American Players' Production of "The Road to Rome"

The American Players, local amateur dramatic organization, deserve highest commendation for their production of the satirical comedy, "The Road to Rome," a play by Robert E. Sherwood. And at the same time the Shanghai public is to be congratulated on its appreciation of the play as exemplified in well filled houses at five separate performances, May 9, 10, 11, 12 and 17. Sherwood's play, "The Road to Rome" wasreviewed in these columns on March 31, hence it is not necessary to repeat the story, but briefly it deals with Hannibal's march on Rome, all being modernized from the standpoint of conversation, the moral teaching being to prove the futility of imperial conquest. In other words, it was a "pacifist" play and strange as these words may read in America and England, Shanghai liked it and asked for more. Had the play been produced last spring at the peak of our intervention propaganda, the American Players might have been run out of town, but Shanghai has changed its mind and hence evinced appreciation of Sherwood's production. Also strange to relate several members of the American Marine Corps, including Col. Davis himself, participated in the play with credit to themselves. The cast included Messrs. Beith, Hykes, Aschermann, Baylin, Hambleton, Carey, Crispin, Hazeltine, Portrude, Doughty, Taylor, Jones, Reimer, Larson, Johnson, Bland, Xavier, Davis, Bolton, Crane and Dubrovin, and Mrs. Langdon, Mrs. Sowerby and Mrs. Burdin, the latter playing with great excellence the part of Fabia the wife of Fabius Maximus, the Roman Dictator, a part taken by Mr. Hykes. The American Players which were originally organized on March 2, 1925 have now produced some thirteen plays in Shanghai, the proceeds of which have been donated to local charities.

Washington Treaties Must Be Upheld

(Special to the Review)

Washington, D. C., May 23.—Secretary Kellogg of the State Department has made no official declaration regarding the recent Japanese memorandum pertaining to Manchuria, but officials of the Department as well as other members of the Administration, reiterate the former policy of the Government in respect to China questions.

The State Department is backing MacMurray who has full authority to deal with the situation in North China. The American Note to the leaders of the Chinese warring factions was presented upon the initiative of Minister MacMurray under general instructions from the Department.

The press is paying close attention to the situation, the comment being to the effect that the United States must stand unflinchingly against the principle that Japan or any other Power has special interests in China, pointing out that the Treaties signed at the Washington Conference in 1921 and 1922 are obligatory upon all who are signatory to the agreements. These agreements, particularly the Nine Power Treaty signed on February 6, 1 22 by America, Great Britain, China, France, Italy, Japan, the Netherlands and Portugal relating to principles and policies concerning China, bind all of the Powers to respect the integrity of Chinese territory. The newspaper comment is to the general effect that "if Japan's aspirations in Manchuria denote a violation of the Washington covenants, transcendant international developments may be imminent."

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Who's Who in China

Mr. I Pei-chi
易培基

Mr. I Pei-chi, who was appointed Minister of Mining and Agriculture in the Nationalist Government in the spring of 1928, is a native of Changsha, Hunan province, where he was born in 1889 and where he received his early education. In 1914 he was appointed a member of the faculty of the Higher Normal School of Hunan province and in 1920 he was appointed principal of the Hunan First Normal College. He resigned, however, the same year to become Chief Secretary to the Civil-Governor of Hunan, serving concurrently as President of the Hunan Provincial Library. In 1923, Mr. I was appointed a member of the faculty of University of Kwangtung and in 1925 was made President of the Girls Normal College which position he filled for one year, following which he resigned to become a member of the Sino-French Committee which settled the question of the disposition of the French portion of the Chinese Boxer Indemnity. In 1926 he was appointed a member of the Bureau of Agriculture of the Central Kuomintang Party and later the same year was Minister of Education in the Canton Government. Mr. I is now a member of the Political Commission of the Central Executive Committee, a member of the Diplomatic Committee, Reconstruction Commission and the University Council of the Nationalist Government and concurrently President of the Nationalist Labor University. He was appointed Minister of Mining and Agriculture of the Nanking Government in the spring of 1928.

Radio Competition Results in Cheaper Cable Rates

The Radio Corporation of the Philippines, whose Shanghai office is in the Dollar building, announces the establishing of a radio-telegraphic service between Shanghai and the Philippine Islands, Dutch East Indies, French Indo-China, the United States of America and Canada. The Philippine corporation is a subsidiary of the Radio Corporation of America and both of them work in conjunction with the French radio service, whose Shanghai office is at 4 Rue du Consulat. The result of the competition from the new radio service is that already cheaper rates have been announced by the old established cable companies, all of which, the British, the Danish and American join together in maintaining rates, and which up until this time had a monopoly. That the entrance of the radio competition is resented by the cable companies may be inferred from the fact that the cable companies have refused to give the new radio service a list of registered cable addresses of Shanghai customers, so that the Radio Corporation is making a request by letter to all Shanghai firms to furnish them with a complete list of their addresses.

Mr. Zing Zung-ching
秦潤卿字祖澤
(Chin Jun-ching)

Mr. Zing Zung-ching, appointed early in 1928 as one of Chinese members of the Administrative Committees of the Shanghai Municipal Council, is a native of Tzeki Hsien Chekiang province, where he was born in 1878.

After receiving a thorough Chinese education in his native village, Mr. Zing went to Shanghai at the age of 17 and entered the employ of the Foh Yu Native Bank and has remained with that institution to the present. By gradual promotion, he rose to be manager in this bank in 1906.

Mr. Zing was elected president of the Shanghai Native Bankers Guild in 1919, and in the succeeding year was elected vice-president of the Shanghai Commercial Federation. Mr. Zing is the founder of the Su Nun Institute and the Chien Nieh Public School belonging to the Shanghai Native Banks Guild and the Evening School of the Shanghai Commercial Federation.

In addition to fostering educational and industrial activitives in his native province, he is the founder and contributor toward the support of the Puo Di Free School where more than two thousand boys are enrolled at the present time. Mr. Zing is also interested in the movement to improve the Chinese silk industry and is proprietor of the electricity company of Tzeki, Chekiang.

Shanghai Community Church Issues Annual Report

The Community Church of Shanghai issued its eighth annual report May 11. Community Church has 450 members, representing twelve nationalities and twenty-four denominations. During the year the debt of the church was reduced from Tls. 39,000 to Tls. 34,902. The report just issued includes a summary of the year's work by C. W. Petitt, secretary; Charles L. Boynton, chairman of the Finance Committee; A. A. Adamson, chairman of the house and grounds committee; J. C. McCracken, chairman of the public services committee; Mrs. P. H. Dunbar, president of the Woman's Auxiliary; Charles L. Boynton, superintendent of the Sunday School; Maud Anderson, president of the Christian Endeavor Society; Mrs. Ethel L. Lacey, chairman of the Navy Y. M. C. A. committee; R. P. Roberts, chairman of the membership committee; C. A. Burch, chairman of the Recreation Club; and Colena M. Anderson, chairman of the social committee.

From the Chinese Press

(News items pertaining to Chinese politics and general affairs appearing under this heading, are taken chiefly from the daily reports of the Kuo Wen (independent), Kuo Min (Nanking official), Ta Chung (Kuominchun) and Toho (Japanese) news agencies, and from translations of articles and dispatches appearing in the local Chinese press).

Wednesday, May 16—Nanking appoints Gen. Chiang Po-chen as acting chairman of Chekiang provincial government to serve during absence of Gen. Ho Yin-chin at front—Reported Chang Tso-ling will hand over control of Peking to Sun Chuan-fang—Personnel of new Shantung Government includes Generals Sun Liang-chen, Luen Chu, Sung Cheh-yuen, Kung Fan-wei, Wei Tsung-chin, Chiang Tso-ping, Ho Sze-yuan, Ting Wei-fen, Tsai Ta-shen, Yu Eng-po, Yen Shou-ching, Chen Hsueh-nan and Ting Liang-chen—*Ta Chung* agency report states that situation in North developing favorably for Southerners as indicated in action of Fengtien officers sending their families and valuables back to Mukden—Gen. Li Lieh-chun of Nanking Government sends out circular telegram accusing Chang Tso-ling of lack of sincerity in ordering cessation of hostilities—Chinese wharf coolies at Shanghai refuse to handle Japanese cargoes—Li Lieh-chun and Ho Yin-chin depart from Nanking for Hsuchowfu to interview Chiang Kai-shek—Chu Chao-hsin, commissioner of foreign affairs at Canton assures foreign consuls of Chinese protection—Chao Shih-hsuan, newly appointed commissioner of foreign affairs at Tsinan returns to Nanking and claims he was held prisoner by the Japanese military—Shanghai General Chamber of Commerce invited other chambers throughout country to send delegates to Shanghai to consider Japanese boycott plans—Chinese Chamber of Commerce at Shanghai receives report from Tsinan stating Japanese destroyed more than 5,300 Chinese houses causing more than 20,000 people to be homeless—Trouble between Gen. Fan Chung-shiu commander of the so-called Chien Kuo-chun armies in Southern Honan, and Feng Yu-hsiang reported to have settled their difficulties—Northern troops still holding Machang south of Tientsin—*Kuo Wen* report states that Japanese troops at Tsingtao are acting in belligerent manner and apparently trying to provoke another incident—Madame Chiang Kai-shek and her brother T. V. Soong, depart for Hsuchowfu to visit Gen. Chiang Kai-shek—Chinese passengers boycott Japanese ships on Yangtsze—T. V. Soong, Minister of Finance orders shipments to be exempt from likin payments—Wuntz King, foreign commissioner at Shanghai protests stationing of Japanese troops at Jessfield Village outside of foreign settlement—Committee formed to erect bronze statue of Dr. Sun Yat-sen at the Shanghai North Railway station—Wang Chung-hui, Chinese representative at Geneva wires Government asking for all documentary proof of Japanese atrocities at Tsinan—Feng Yu-hsiang reports that his troops have advanced beyond Paotingfu and are cooperating with the Shansi forces to the west and north of Peking—Government Council appoints Gen. Li Chung-jen head of the newly organized 4th route Nationalist army—Cha Liang-chao appointed educational commissioner of Honan in place of Kiang Heng-yuan, resigned—Lin Sen requested to retain position as head of Overseas Affairs Committee—National Educational Conference meeting in Nanking; Dr. Tsai Yuan-pei, head of National University Council urges study of science—Nanking issues mandate ordering early completion of Northern drive against Chang Tso-ling

Thursday, May 17—Shanghai Chamber of Commerce receives report from Tsinan stating that the body of Tsai Kung-hsi, Commissioner of Foreign Affairs at Tsinan who was murdered by the Japanese, cannot be found and apparently has been destroyed by the Japanese military to destroy evidence of the atrocity—Feng Yu-hsiang declares his determination to continue drive against Chang Tso-ling despite Chang's alleged offer to stop fighting—*Ta Chung* agency report states that Chang Tso-ling has departed from Peking but fact being kept secret—Gen. Lu Chung-lin, subordinate of Feng Yu-hsiang, reports capture of Paotingfu—Chiang Kai-shek informs Japanese General Fukuda that negotiations of Tsinan incident will have to be through the Nanking Government and not between the Chinese and Japanese military commanders as the Japanese requested—Honan provincial government orders suppression of fanatical religious organizations which claim to have received special orders from God to perform certain functions and who claim their bodies are bullet-proof—Honan government prohibits gambling—Gen. Chiang Kai-shek issues statement refuting allegations of Japanese propagandists regarding the Tsinan incident—*Kuo Min* agency publishes list of Chinese officials killed by Japanese in Tsinan incident—Shanghai schools give three day holiday in order to permit students to collect funds for families of Tsinan victims—Shanghai municipality prohibits showing of indecent and immoral moving pictures—Anhwei province sends 90,000 piculs of rice to front as provisions for troops—Kiangsu provincial government remits $100,000 for Shantung relief—Nanking claims that Kuominchun troops have captured Tsinghai on the Tientsin-Pukow Railway and are now approaching Tientsin—Feng Yu-hsiang claims capture of Chochow, south of Peking with 1,000 Fengtien troops; also reports that Kalgan and Suanhwa evacuated by Fengtien; Gen. Yen Hsi-shan personally directing operations.

Friday, May 18—Gen. Chu Yu-puh, tupan of Chihli making desperate efforts to hold Tientsin area; digging trenches about city using requisitioned farmer labor—Reported defeated northerners looting country about Tientsin—Chang Tso-ling orders wholesale arrest of Chinese students in Peking area on charges of Communism—Shanghai students enlist in newly-organized cadet corps to learn military service—*Ta Chung* Agency report states that Gen. Chang Chung-chang, ousted tupan of Shantung, had stored large quantities of ammunition in the commercial section of the city under Japanese protection—Report from Tsinan that Japanese destroyed electric light and telephone plant; also states Chinese civilian casualties, including women and children, number 1,500—Japanese seize all Chinese cameras in Tsinan and destroy them and any Chinese caught taking pictures is arrested and imprisoned—Nationalists institute heavy tax on all Japanese goods now in stock with Chinese merchants in Shanghai; tax ranges from 10 to 70 percent—National Educational Conference in Nanking decides that in future the conferring of degrees upon graduation from approved universities will be reserved to the National University Council—Gen. Chien Ta-chun, Shanghai Garrison Commissioner, urges strict discipline on the part of his troops due to tense situation produced by Tsinan affair—Chinese employes resign from Japanese shipping companies at Shanghai—Kiangsi provincial government urges protection of foreign lives and property—Anti-Japanese movement gains headway in Kiangsi—Committee at Shanghai for severance of economic relations with Japan, votes to establish permanent office—*Kuo Min* report from Hankow states that Hunan and Hupeh will send 200,000 men to front—Nanking prepares to open through train service between Hankow and Peking immediately upon capitulation of Chang Tso-ling—War reports by *Kuo Min* state that heavy fighting is taking place at Machang, south of Tientsin on Tientsin-Pukow line that Shansi troops are entering Peking area from mountain passes in Peking Western Hills; claims that Shansi "plain clothes" men are already in Peking making preparations for seizing railway station—*Kuo Min* report from Hsuchow states that Chiang Kai-shek's headquarters have been removed to Tunghsien from Taian—*Kuo Wen* report states thet Peking was captured this morning by Shansi troops but unconfirmed—Gen. Li Chi-sum at Canton wires Nanking that Canton has raised $800,000 in Kwangtung and $500,000 in Kwangai for thes upport of Gen. Li Chung-jen's army operating from Hankow on Northern front—Nanking appropriates $10,000 for purchasing wireless telephone sets for use of officials in various parts of country—Kuomintang announces that May 3 will be a National memorial day in future for Chinese killed by Japanese at Tsinan-Nationalists claim to have intercepted letters written by Chang Chung-chang, Sun Chuan-fang and V. K. Ting, showing that the Japanese troops intervened in Shantung upon invitation of northern militarists.

Saturday, May 19—*Kuo Wen* report from Peking states Fengtien forces have decided to put up a fight in Peking-Tientsin area; Chang Tso-ling supplies Sun Chuan-fang with $200,000 and two million rounds of ammunition—Japanese garrison commander at Tientsin urges Powers to extend defense lines 20 li into country, but Powers object and finally decided to restrict defenses to foreign concessions—H. H. Kung, Minister of Commerce and Industry notifies Nationalist Council that tariff rates agreed upon at the Peking Tariff Conference, are detrimental to Chinese cotton manufacturers and Nationalists should refuse to recognize the rates—Feng Yu-hsiang reports that Fengtien forces are retreating toward Tientsin—*China Times*, leading Chinese paper at Shanghai publishes account of Chinese eyewitness of Tsinan affair stating his belief the Tsinan affair was planned by the Japanese—Shansi troops capture all Fengtien positions between Suiyuan, Chahar and Kalgan, Fengtien retreating toward Peking—Japanese airplane drops bombs on Taian about 50 miles south of Tsinan—*Ta Chung* agency states Chinese postal employes at Shanghai refuse to deliver mail to Japanese residents of city; Japanese file protest—Chinese seamen on Japanese steamers strike at Shanghai—Kuomintang Committee orders half-masting of Nation-alist flags for Tsinan victims—Gen. Li Fu-lin of Canton arrives in Nanking for conference—Gen. Ho Yao-tsu, recently relieved of command of the 3rd army group relinquishes command to Gen. Fang Chen-wu; also resigns concurrent post as commander of 40th army to Gen. Mao

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Ping-wen—Gen. Bei Tsung-chi, commander at Hankow goes to Honan for interview with Feng Yu-hsiang—Chiang Kai-shek decides not to go to Nanking—Train service on Peking-Hankow line resumed between Chengchow and Shihkiachwang in Chihli—Shansi troops occupy Chochow; Cheng Che-shen, subordinate of Chang Tso-ling rebels and joins Nationalists in Chihli—Reported Chang Tso-ling has turned over control of Peking to Wang Shih-chen and Hsiung Hsi-ling—Nationalist Political Committee in war zone removes headquarters from Hsuchow to Paotingfu and Chiang Kai-shek departs for Northern front by way of Lung-Hai line—Commisioner of Foreign Affairs, King, at Shanghai warns Japanese against going into the country near Shanghai owing to anti-Japanese feeling—National Educational Conference in Nanking considers matters of regular finances for schools, training of teachers and the compiling and writing of suitable text books—Government Council passes special regulations encouraging use of Chinese-manufactured goods—Feng Yu-hsiang recommends employment of foreign mining and factory experts in Honan province; recommends extension of primary education and the construction of model houses—Hsueh Tu-pei, Minister of Interior, recommends discontinuance of custom of giving presents to newly appointed officials—Nanking Government Council recommends establishment of Mongolian Bureau—Nanking military council announces capture of town of Chuchen, about 50 miles south of Tsingtao by Nationalist troops; expect shortly to occupy eastern Shantung—Parcels post deliveries suspended in southern Chihli and other places in Honan, Shensi and Kansu owing to disturbed conditions—*Ta Chung* report states Japanese Government has recalled Minister Yoshizawa at Peking to Tokyo for conference—Chang Tso-ling executes thirteen Chinese students in Peking for pro-Kuomintang agitations—*Ta Chung* agency report states that Japan has rejected American and British mediation owing to fact that Britain has troops at Shanghai and America has intervened in Central America—Canton holds gigantic memorial meeting for Chinese victims at Tsinan—*Ta Chung* report alleges Japanese military at Tsinan is forcing Chinese merchants to fly Japanese flags, resulting in Chinese shops closing doors—Red Spear organizations spring up in Tsinan area—Mrs. Chiang Kai-shek reported to have accompanied her husband to Northern front.

Sunday and Monday, May 20-21—Hsiung Kung-fu, secretary of Nanking Government Council arrives in Shanghai to offer condolences to Mrs. Tsai Kung-hsi, wife of the late Commissioner of Foreign Affairs at Tsinan who was murdered by the Japanese military—Shanghai students complete campaign for funds for victims of Tsinan incident and turn money over to Chamber of Commerce for distribution; report results satisfactory—Gen. Li Chi-sum at Canton orders discontinuance of amusements and entertainments for one month on account of Tsinan affair—Chiang Kai-shek and Madame Chiang and T. V. Soong, Minister of Finance, visit wounded soldiers and troops at Hsuchowfu, Gen. Chiang telling the soldiers to maintain discipline, keep at heart the national disgrace at Tsinan and to make preparations to fight Japan within three years—Chiang Kai-shek reports that fifty Japanese troops appeared at Chao Mei Tien followed by a Japanese airplane which dropped bombs; reported that Gen. Fang Chen-wu's Nationalist troops have reached Nanpei—Chiang Kai-shek arrives at Chengchow, Honan and holds conference with Feng Yu-hsiang, with representative of Yen Hsi-shan also in attendance; report states Nationalists making preparations for launching united attack on Peking, but believe that Chang Tso-ling will withdraw—Chiang Kai-shek proceeding to Paoting-fu, Chihli for inspection of troops and reported he will remove his headquarters there—Nanking report states that Chihli-Shantung troops under Sun Chuan-fang are withdrawing from Machang to Tientsin for fear of being cut off by Nationalist troops—Yen Hsi-shan reports serious fighting has taken place between his troops and Fengtien forces near Chochow, Chihli; claims capture of 5 10 Chihli prisoners—Nationalist airplane squadron moves to Peking-Hankow front—Chang Tso-ling's forces withdraw rolling stock from Tientsin-Pukow Railway to Peking-Mukden line—Hwang Fu holds conference with Foreign Affairs Committee at Nanking, those present including Tan Yen-kai, Li Lieh-chun, Tsai Yuan-pei, Ho Yin-chin and Yu Yui-jen; believed settlement of Tsinan incident possible "owing to conciliatory attitude of Japanese government"—Nanking Government, upon recommendation of H. H. Kung, Minister of Agriculture and Commerce, decides to repudiate the Revised tariff adopted by Peking Government on grounds that it is detrimental to Chinese industries, particularly the cotton manufacturing business in China—Serious anti-Japanese manifestations at Kaifeng, where boycott of Japanese goods instituted—*Kuo Min* report states that anti-Japanese boycott movement gaining headway at Canton, Hankow, Changsha, Hsuchow, Wuhu—Nationalist Educational Conference votes recommendation that all students should wear civilian uniforms; that student army corps be restricted to senior middle schools; that women students be instructed in nursing; that boy-scout bodies be organized in junior middle schools: decided to draft law for compulsory education; Government will offer fellowships in colleges to encourage higher education; that all schools established by foreigners must register before June, 1930 and that no foreigners be permitted to establish schools after that date.

Anti-Japanese Boycott Gains Strength

A special committee formed by 21 representative organizations in Shanghai, including the Chinese General Chamber of Commerce, the Chinese Bankers Association, and the Amalgamated Association of Street Unions, has been formed to put into effect a strict boycott against the Japanese.

Chinese customs brokers and shipping hongs have announced that they will not handle Japanese cargo or ship cargo by Japanese ships. The Sugar Dealers Union at a recent meeting decided not to handle Japanese business, and instead will look to Java for its supplies.

The boycott committee in Shanghai has drawn up a set of regulations to apply to existing deals with Japanese. Regarding Japanese goods already in possession of Chinese merchants, according to the Chinese newspapers, the following regulations are to be put into effect:

All Chinese firms and shops are required to report to the Commission through their respective guilds or street unions for registration before May 31. After registration has been properly made to the Commission, special delegates will be sent to their shops or firms to check over their stocks and to verify the truth of their reports to the committee. Special permits will then be made to them to be pasted on their goods for sale.

Permits will be granted on the payment to the National salvation fund of the following rates: Luxuries and sundries 70 per cent, ad valorem, drugs and pills and foodstuffs 50 per cent., marine products, silk piece goods, sugar, candy, and chinaware 30 per cent., lumber and cotton piece goods 20 per cent., and stationery and hardware 10 per cent.

In cases where there are no native products to replace certain Japanese educational, communication or other necessities, special permission will be given for further transactions by Chinese merchants with Japanese concerns, and provided that the instructions of this Commission are strictly followed and lived up to, no collection of national salvation funds will be collected on such goods bought from Japan. Should any Japanese produce now in possession of Chinese merchants be found on sale after May 31, without special permits issued by this committee a fine of double their actual value will be imposed and the owner of such goods will still be required to secure the special permits from the committee for them.

Regarding Japanese goods ordered by Chinese merchants before May 5 but which have not yet been delivered, the regulations state: All leaders and representatives of the various trade guilds will, and have agreed to, notify their members to cancel their orders for Japanese goods already issued but if cancellation of such orders cannot be carried out reasons must be given this committee by the merchant or merchants who had given such orders. For such orders, one-fourth the value of their respective rate of national salvation fund as stated above will be collected at the registration of such orders upon which special permits will be issued by the committee for them to get deliveries made through the Customs Brokers Union and Laborers Union. When such goods are finally delivered, the other three-fourths the rate of the national salvation fund will be collected for the issuance of special trade permits for such goods.

For Japanese goods ordered after May 5, the regulations lay down the following ruling: For Japanese goods ordered by Chinese merchants between May 5 to 15 (the week following the Tsinanfu incidents) twice the amount of national salvation fund will be collected for issuance of special trading permits by the boycott committee but any Chinese merchant found ordering Japanese goods after May 15 will be seriously penalized, besides a payment to the national salvation fund double the value of goods ordered. Any Chinese merchant found selling Japanese goods under Chinese trade marks, or in any way selling Japanese products as Chinese or other foreign manufactures, will be fined double the amount of such goods he has in his possession and seriously dealt with by the Commission.

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Japan's Inspiration

"A Study of Shinto, The Religion of the Japanese Nation", by Genchi Kato. D. Litt. Meiji Japan Society, Tokyo.

At the present time it is essential for Westerners to try to understand the spirit which animates the Japanese nation. There are some who see in the ultra-nationalism of Japan nothing more than the workings of an excessively fast birth-rate. But whence and why the birth-rate? Is it not because of the reverse of the principle that when a nation loses its religion it will inevitably decay? Nationalism may remain even after decay has set in; even the culture of the nation may continue and spread: atheist France is still as nationalist and culture-proud as ever,—but Italians and Central Europeans swarm in her eastern provinces.

In striking contrast is Japan, with its—what Lafcadio Hearn called—its "religion of patriotism". Mr. Genchi Kato rightly thinks that such a hackneyed word as "patriotism" cannot do justice to the inner meaning and high spirituality of the Japanese national religion, and his whole book casts a very striking and unusual light on the true nature of the Japanese national inspiration.

He approaches his subject in a scientific spirit—which includes keeping a scientifically watchful eye on the value of the propaganda catchword "international understanding": "If", he says, "this humble pioneer effort to present by the light of modern research in the comparative science of religion the salient features of the Shinto faith, in its origin and growth, contributes in any way to a true understanding among Westerners of the Japanese mind, I shall feel myself well repaid". In his Preface he says, also, "Hitherto, as it seems to me, most students of things Japanese have viewed Shinto, and made public their impressions of it, only as a rather primitive nature religion, and its ethico-intellectualistic aspect in a later or more highly-developed form is seldom set forth with adequate thoroughness. To such students, Shinto, even at present, seems like the religion of Egypt or that of Babylonia, to be of mere archaic interest, with no bearing on the actual life of the Japanese to-day". In consonance, then, with the prospectus of the Meiji Japan Society, by which, it will be noted, this book is published, Mr. Kato looks to the encouragement of a thorough study of Japanese Civilization or Spiritual Culture in the light of modern research, thereby, "through a process of elucidation", hoping "to facilitate a better mutual understanding between Japanese and foreigners and so hasten the day of universal peace".

Shintoism Similar to old Jewish Religion

The thing which emerges most strikingly from the book is to be found in the later chapters. This is, as Mr. Kato carefully demonstrates from his facts, the remarkable similarity between early Shintoism previous to the 13th century and the religion of the Jews before they returned from the Babylonish Captivity. Both religions, or rather, both nations, claimed for themselves the patronage of an all-powerful God who could be relied on to secure them victory under any circumstances against any foes, only provided the ruler or the people had not been guilty of any moral or spiritual offence against their God or his code. Towards the end of the 11th and in the course of the 12th century, however, a series of civil wars in Japan divided the Imperial House into two opposing parties who, with large numbers of Samurai warriors on either side, fought several sanguinary battles. The final outcome was that the legitimist party was annihilated, the infant Emperor was drowned, and the replica of the Divine Sword (cp. the Jewish sacred ark) was at the same time lost. A brief period followed, during which a last struggle was maintained against the "eastern barbarians" (the tribes from the East of Japan who had succeeded in capturing the Imperial capital at Kyoto), but the end came in 1221.

Hereupon, the question naturally arose in the morally awakened minds of the enlightened Japanese of that age:—

"Why was the Imperial army forced to retreat before the 'eastern barbarians', and ultimately destroyed by them?" Or, in other words, "What caused the sovereign superiors to be beaten by the inferior subjects?" Viewed from the old standpoint of the national Shinto religion, in terms of which the Sun-Goddess Amaterasu-Omikami and all the other deities had undertaken to defend the legitimate Imperial Sovereign, right or wrong, the circumstances seemed inexplicable.

"Among the successive civil wars fought in the 11th and 12th centuries, the disastrous catastrophe of the Shokyu War mentioned above shook and undermined the ground of the naive traditional faith in the national Shinto deities, who had vouchsafed to the Japanese nation their unconditional divine protection for the people as well as for the Imperial House"

"The explanation is very simple. Misfortune fell upon the Emperor—and on his followers as well—because, having become disreputable, from the ethical point of view, they acted against the Divine Will, and the unseen protection of the national deities was in consequence withdrawn from them, with the dire results detailed".

A certain number of noted writers of the time attempted to explain what was still incomprehensible to the older thinkers by adducing the Buddhist doctrine of Karma, which was then coming into fashion. The majority of new thinkers, however, agreed (cp. the Mandate of Heaven granted to or withdrawn from the Chinese Emperors) that, "While disloyalty of subjects means national disgrace, yet the duration and the happiness of an Imperial reign depend upon the Emperor's virtuous government".

When the Deities Are Impotent

Having settled this problem, however, a new and more terrible one loomed up on the horizon. Just as the old Hebrew prophets prophesied terrors from foreign armies against the Jews who were unfaithful to their God, so did the enthusiastic Buddhist monk, as a fanatical seer, warn the Japanese nation of calamity impending at the hands of the mighty monarch of the Great Mongol Empire, who in 1281 was to send an armada against Japan. Prefacing this dire forecast, he pointed out that "In the invasion by the Mongols in the 11th year of Bun-ei (1274), not only were a great number of Japanese soldiers killed in battle, but the Shrine of Hachimen was destroyed with fire by the enemy. And yet the Mongol army suffered no divine punishment. Such being the case, it is beyond doubt that the Mongol monarch is greater and mightier than the guardian deities of Japan".

Proceeding then to prophesy, he said: "Owing to the acceptance of the corrupted doctrine of the heterodox Shingon Buddhism, we are about to see a decline of the Imperial rule, leading to the complete destruction of the whole Empire and her subjugation to the yoke of a merciless foreign enemy".

Another writer in a similar strain said: "Of old the unseen protection of the Shinto deities and the Buddhas over this land was so effective that invasions by foreign enemies were at once repelled. At the present day, alas! owing to evil government, this unseen protection has been withdrawn and the feeble country will now be unable of itself to repel foreign attack".

In spite of all this pessimism, however, the attack was repelled. And not only was Japan saved from the Mongols, but Shintoism was saved for the Japanese. In Israel, on the other hand, the invading armies of Babylonia and Assyria conquered the Israelites and took them in slavery to the banks of the Euphrates. There the national catastrophe that had come upon their people was interpreted by the prophets on Israel from their own higher ethical point of view, and, in consequence, some elements of universalism and individualism were introduced into the old national religion of Yahweh, thereby paving the way for the conversion, in the fulness of time, of the religious particularism or national religion of Israel into the world's religion of Jesus.

By contrast, the victory of the Japanese over the Mongols, gained in firm if pessimistic reliance on the providential aid of their national deities, confirmed in them a feeling of national pride and a strong faith that Japan, of all nations under the sun, is unique, rejoicing in the divine rule of one and the same Imperial dynasty unbroken and co-eternal with Heaven and Earth".

Closing this chapter, Mr. Kato says: "Needless to add, such being the case, the people of Japan cannot help believing in the Providence of unseen help of the national deities on high; and that, 'ipso facto', Shinto, as the nation of Japan flourishes and ceases not to exist. Yahwism, the national religion of Israel, gave way to the universal religion of Christianity, along with the cessation of the nation of Israel; while Shinto, as the national religion of Japan, has continued, and will continue, because Japan as a nation has continued and will continue".

In his last chapter, he discourses on the "Unique Position of Shinto". "A short-sighted observer" he says, "will probably say that a national religion is behind in development, compared with universal religions, that, to wit, the national religions of ancient Greece and Rome, as well as that of the Hebrews, are all superseded by the universal religion of Christianity, which is far higher in advancement than any of those national religions", with which it is legitimate to class Shintoism.

Religion Expresses National Spirit

"In my opinion, however", he says, "this view, though it contains a truth, does noes not contain the whole truth". And he thereupon at some length expatiates upon the "spiritualistic and idealistic character" of Shintoism, the manner in which "it has never failed to inculcate worship of its Deity *in spirit* and *in truth*", this being "the bright side or higher aspect of Shinto, never before pointed out, as I, an impartial student of

(Continued on page 414)

In the United States Court for China

HENRY C. DAVIS, Plaintiff,
vs.
William Preston Gibson, Defendant.
National City Bank of New York,
C. S. Franklin, Garnishees.

Cause No.
Civil No.

ORDER.

Filed at Shanghai, China, May 9th, 1928.

L. T. KENAKE
Assistant Clerk.

ORDER

The object of this suit is to recover a claim for Gold $516 67 based on the indorsement of a certain Bill of Exchange by the plainliff herein at the defendant's special instance and request, said Bill of Exchange have been dishonoured and plaintiff having paid same.

WHEREAS plaintiff herein, by his attorney, has this 7th day of May, 1928, made application for the substitution of publication, for personal service upon defendant herein; and

WHEREAS it appears from the files of this case that on the 5th day of May, 1928, the Summons for the defendant was returned by the Marshal of the United States Court for China, "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files of this case that on May 7, 1928, Henry C. Davis, the plaintiff herein, filed an affidavit to the effect that the defendant in the above-entitled action cannot be found and is a non-resident of Shanghai, Republic of China; that service of summons cannot be made on him within the Republic of China and that defendant has property within this jurisdiction sought to be taken by attachment and garnishment in this action.

NOW, THEREFORE, it is this 7th day of May, 1828, ORDERED that the Order be published once a week for three successive weeks in The China Weekly Review, to-wit on May 12th, May 19th and May 26th 1928, that the defendant cause his appearance to be entered herein, on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the last day of the publication of this order; otherwise the cause will be proceeded with as in cause of default.

BY THE COURT,
MAY 9 1928

MILTON D. PURDY
JUDGE.

In the United States Court for China

ISABEL BURT, Plaintiff,
vs
ARTHUR RAYMOND BURT, Defendant.

Cause No. 3071
Civil No. 1297

ORDER

Filed at Shanghai, China, May 9, 1928.

L. T. KENAKE
Assistant Clerk.

The object of this suit is an action for divorce:

WHEREAS plaintiff herein, by her attorney, has this 30th day of April, 1928, made application for the substitution of publication, for personal service upon defendant herein; and

WHEREAS it appears from the files of this case that on the 7th day of May, 1928, the Summons for the defendant was returned by the Marshal of the United States Court for China, "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files of this case that on April 30th, 1928, ISABEL BURT, the Plaintiff herein, filed an affidavit to the effect that the Defendant was not residing in China, nor has he been within the jurisdiction of this Court during the last six months previous to April 30th, 1928.

NOW, THEREFORE, it is, this 9th day of May, 1928, ordered that the Defendant cause his appearance to be entered herein, on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the last day of publication of this order; otherwise the cause will be proceeded with as in cause of default.

BY THE COURT,
MILTON D. PURDY
JUDGE

9 May 1928

(*Continued from page 412*)

comparative religion, have, for the sake of truth, endeavored here to do". This, of course, is all off the point when considering the question of nationalist religions. However, he comes nearer to the point when he goes on: Moreover, we are to recognize the truths of theanthropic faiths such as Buddhism, of the religions of ancient Greece and Rome and of Shinto, with just the same absence of prejudice as we do those of theocratic religions such as Judaism, Islam and Christianity. Shinto, as a theanthropic religion has culminated in Mikadoism. Herein lies, even at the present time, in my opinion, the essence of life of Shinto, inseparably connected with the national ideals of the Japanese people". And he sums it all up with the following definition :—

"The vital essence of Shinto manifests itself in an expression of that unique spirit of the national service of the Japanese people, which is not only mere morality but is their religion, culminating in Mikadoism or their own peculiar form of loyalty or patriotism towards the Emperor, who is at once political and religious leader in a government constitutional yet theocratico-patriarchal".

In this book, Mr. Kato has bared Japan to the world with a vengeance. The very completeness of his scientific attitude, his naive satisfaction with his findings, his contentedness to be classed with Imperial Rome, all go to form another remarkable and commendable example of impartiality without neutrality. All that is required now is for someone to defeat Japan. But how can that ever happen so long as every Japanese, consciously or unconsciously, believes that God is on his side?

Tokyo, May 10, 1928

J. D. M.

American Gold Bond Quotations

Name of Security	Coupon Rate %	Date of Maturity	Sale Price May 17th	Sale Price May 24th	Approx. Yield to Maturity % May 24th
Czecho Slovak Govt. Sinking Fund Loan	8	Oct. 1, 1952	110⅛	110¾	7.07
Republic Chile S.F. Loan	7	Nov. 1, 1942	103⅛	103	6.67
Argentine Government.. Ext. S.F. Loan	6	May. 1, 1960	100⅜	100⅝	5.96
Kingdom of Italy, Ext. S. F. Loan	7	Dec. 1, 1951	99¼	99¾	7.02
Austrian S. F. G. Loan	7	June 1, 1943	103¾	103⅞	6.60
Japanese Govt. (£)	5	1907/1947	85⅛	85⅜	6.32
German Govt. S. F. Loan	7	Oct. 15, 1949	107⅝	107¼	6.37
Deutsche Renten Bank 1st Lien Farm Loan	7	Sept. 1, 1950	100¾	9⅛	7.05
Saxon Public Works Inc. 1st Mtge. S. F. Loan	7	Feb. 1, 1945	101¾	102	6.80
German G.E.C.S.F. Loan	7	Jan. 15, 1945	105	104	6.60
Finnish Guaranteed Municipalities S. F. Loan	6½	Oct. 1, 1954	99⅛	99¾	6.52
Chicago Rapid Transit 1st. & Refunding Mtge.	6½	July 1, 1944	—	100	6.50
Northern Ohio Power & Light Co. Debentures.	6½	Jan. 1, 1941	102	102	6.27
Cuban Domin. Sugar Co. 1st Lien S. F. Loan	7½	Nov. 1, 1944	100¾	101	7.39
Camaguey Sugar Co. 1st. Mtge. S. F. Loan	7	Oct. 15, 1942	100¾	100⅞	6.92
Pennsylvania Dixie Cement Corporation	7	Pfd. Stock	97	97	7.22
Victor Talking Machine Company Cum, Prior	7	Pfd. Stock	109¾	110	6.36
Willys Overland Co.	7	Pfd. Stock	99⅜	99	7.02
The National City Bank of New York	20	Stock	970	940 Ex. Rgts.	2.13
Republic of Peru Ext. Secured S. F. Loan	7½	Sept. 1, 1955	107¼	107	6.93
Hershey Chocolate Corp.	$4	Pfd. Stock	—	80 77½	5.16
Belgian National Railway Co. Participating Pfd. Stock (American shares) Market to yield					6.70
Central Bank of Agriculture	6%	Apl. 15, 1938		95½	6.62
Republic of Finland	5	Feb. 1, 1958		95	5.86

The National City Company, The National City Bank Building, No. 2A Kiukiang Road, Shanghai, China.

KIMONOS & HAORIS

TOYO MURAKAMI

26B, Kiangse Road (corner Ezra Road)

Shanghai Exchange for Week Ending Wednesday, May 23, 1928

Exchange:—Since the date of our last circular a very marked rise has taken place in the price of Bar Silver in London the quotations advancing from 27 1/16d. for spot and 27 7/16d. for two months forward delivery to 28 2/16d. respectively. New York silver quotation has risen from 60 to 62¼.

Local exchange rates advanced very sharply during the week under review owing to banks (mostly Japanese) being very good sellers and with buyers holding off. Speculators have also operated freely, increasing their over-sold position very considerably. However towards the close to-day profit taking on the part of speculators caused rates to decline, but the undertone of the market is still quite steady. The official T/T rate on London is 2/9 1/16d., but for Cash T/T the following rates are available, on London 2/9 3/16d, New York 68⅜, Yen 67⅝.

The depletion in the local stocks of silver still continues, and it is estimated that the value of Sycee, Bar Silver, Chinese and Mexican dollars, is about Taels 15,000,000, less than held on this date one month ago.

Our stocks of silver are reported as follows:—

Sycee and Bar Silver..... Tls. 39 960,000 a decrease of Tls 4,160,000

Chinese and Mexican Dollars..... $ 87,810,000 a decrease of $ 2,990,000

Estimated value Tls. 103,183,000 as against Tls. 139 487,000 held at this time last year.

	Average rates for April.	Thurs. May 17	Friday May 18	Sat. May 19	Monday May 21	Tue day May 22	Friday May 23
Bank's selling rates		*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*	*openin closing*
T/T London	2/6 841	2/8¼	2 8¼ 2/8½	2/8¾	2/9	2/9½	2/9¼
D/Dfts ,,	—	2/8 5/16	2/8 5/16 28 9/10	2/8 15/16	2/9 1/16	2/9 9/16	2/9 5/16
4 m/s ,,	—	2/8½	2/8½ 28¾	2/9	2/9¼	2/9¾	2/9½
T/T India	171.272	178⅝	178¾ 180¼	182	183¼	185¾	184½
T/T France	1,594.091	1665	1665 1680	1690	1705	1730	1715
T/T N. Y.	62.684	65⅛	65½ 66⅛	66⅝	67⅛	68⅛	67⅝
T/T Demand		65⅝	65⅝ 66⅛	66¼	67¼	68¼	67¾
T/T Hamburg		274	274 276	278	280½	287⅝	282½
T/T H'kong	79.330	77¾	77¾ 77⅝	77½	77¼	77	77
T/T Japan	76.116	71¼	71¼ 70¾	69½	69⅛	68	68⅝
T/T Batavia	155 364	162¼	162½ 163¼	164⅜	166¼	168¾	167½
T/T Straits	90.318	86¼	86¼ 85½	85	84¼	83	83½
Bk's buying rates 4 m/s B/L. Cred. D/A	2/8.841	2/10¼	2/10¼ 2/10½	2/10⅝	2/11	2/11⅛	2/11¼
4 m/s ,, D/P	—	2/10⅜	2/10⅝	2/10⅞	2/11⅛	2/11⅝	2/11⅝
6 m/s ,, B/L Cred D/A	2/9.153	2/10 9/16	2/10⅝ 2/10 9/16	2/11 1/16	2/11 5/16	2/11 13/16	2/11 9/16
4 m/s B/F Cred D/A or D/P	1,664 091	1735	2/10 13/16 1735 1705	1760	1775	1800	1758
4 m/s N.Y.Lc	66.056	68⅞	68⅞ 99⅝	69⅞	70⅝	71⅝	70⅞
4 m/s ,, Docs	—	69⅜	69⅜ 69⅞	70⅝	70⅞	71⅝	71⅜

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling. Bullion.	May 17	May 18	May 19	May 21	May 22	May 23
*London Price of Bar Silver per oz (English Standard 925 touch)...Pence	27½	27⅝	27 15/16	28	28¾	28½
**New York Price of Bar Silver per oz. (Pure)	G. $.59¾	G.$ 60	G. $.60⅞	G. $.61	G $ 62¼	G. $ 62¼
Shanghai Price of Gold Bars (weight Tls. 10 (Chauping) 978 touch).....	Tls. 344.20	Tls. 338.30	Tls. 336.70	Tls. 325.30	Tls. 330	Tls. 328
Shanghai Silver Bars (weight Tls. 100 (C.) 999 touch)	110.90	110.90	110.90	110.90	110.80	110.90
Shanghai Mexican Dollars per $100.....	72.5125	72 4875	72.3125	72.2125	72.3625	72.2375
Native Bank Rate of Interest (Call money)	4%	2%	3%	3½%	3%	3½%
*Closing Price in London for Previous day						
**Closing Price in New York for Previous day						

Bank of England rate of discount	4½%	London Paris on	T/T 123.98
Bank of France rate of discount	3½%	New York on London	T/T 488 3/16
London open Market of Dis. 3 m/s	4⅝%	Bombay on London	T/T 1/5 31/32
,, 4 ,,	4⅝%	Hongkong on London	T/T 2/1⅛
,, 6 ,,	4⅝%	Kobe on London	T/T 1/10 13/16

An Eye-witness's Story of the Tsinan Situation

(*Continued from page 394*)

exception of two regiments, about 3,000 in number, who were left in the city to maintain law and order.

"At about 5: in the morning (May 6) I left the city for Tongchiachang where I met General Feng who informed me that the fighting spirit of the Fengtien forces was at a low ebb and that the capture of Peking was merely a matter of time.

"Following a conference held at Tongchiachang C. T. Wang was sent to negotiate with the Japanese authorities. Mr. Wang saw the Japanese consul, Mr. Nishita, who said that the situation had passed into the hands of the military and that negotiation was not possible. Still refusing to give up hope for an amicable settlement General Chiang Kai-shek sent Chao Shih-hsuan to see General Fukuda. This was on May 7. At 4 p. m. General Fukuda handed to Mr. Chao the so-called ultimatum which contained the following five points:

1. Punishment of high military officers responsible.
2. Disarm all Nationalist troops who molested Japanese, in the presence of Japanese army in Tsinan.
3. Evacuating all Nationalist troops stationed at Hsinchuan and Changchiachuan, within 12 hours.
4. Promptly prohibit the anti-Japanese propaganda.
5. Clear all Nationalist armies in the area within 20 li of Tsinan and those in the area within 20 li along the Tsinan-Tsingtao Railway.

"With this 'ultimatum' Mr. Chao returned to Tongchiachang at about 9:00 p. m. General Chiang was not there when he arrived and it would take at least a few hours to get the message to him. Thus, General Chu Pei-teh, the Field Commander, immediately despatched a message to General Fukuda asking him to extend the time limit from 12:00 midnight to 12:00 noon the next day (May 8) on account of the absence of General Chiang Kai-shek.

"On May 8 General Hsiung Shih-hui and I were sent by General Chiang Kai shek as his representatives to see Fukuda at Tsinan. We also brought with us a letter from the Generalissimo to Fukuda. Arriving at White-horse Mountain 8:00 a. m. we saw Japanese troops stationed at the peak of the mountain and also their machine guns in the field all set for action. We carried in our hands a white flag with the inscription reading ("Military Envoy.") After passing by many Japanese soldiers we finally managed to arrive at Fukuda's headquarters at about 11:30 a. m. We saw Fukuda and no sooner than we explained to him our mission he showed us a letter which he had already written and had ready to be sent to General Chiang Kai-shek. In that letter it was stated that the Nationalist's delay in replying to the five demands "greatly injured the prestige of the Japanese armies" and that because of this delay military action was started (4 a. m.) before dawn. However, we explained to Fukuda that we could not regard the note he handed to Mr. Chao as an ultimatum because, (1) The time limit he set for the Nationalist's reply was much shorter than that sanctioned by international usage, which is generally between 24 to 48 hours, (2) In his message he did not state that military action would be started if a satisfactory reply was not forthcoming within a certain period of time. Following this explanation we handed to him General Chiang's letter which contained six points as follows:

General Chiang Kai-shek's Reply

1. Punishment will be duly meted out to those who are found guilty. But guilty Japanese officers and soldiers should be similarly dealt with.
2. Stern measures have already been taken to suppress anti-Japanese propaganda.
3. Nationalist troops will be temporarily withdrawn from Tsinan with the exception of a small detachment of soldiers who will remain to maintain order and afford general protection.
4. For the time being Nationalist troops will not be stationed within the 20 li limit along the Tsingtao-Tsinan Railway, but communication shall be maintained along the Tientsin-Pukow Railway so that there shall be no obstruction whatever to the military transportation of the Nationalist Forces.
5. Orders for evacuation have been issued to the Nationalist soldiers stationed at Changchiachang and Hsinchang.
6. All Nationalist soldiers held and disarmed by the Japanese shall be released and their arms and munitions returned.

"After handing to him the letter we proceeded to explain each point of our reply in detail. Fukuda requested us to retreat into his outer office so that he could confer with his Chief of the General Staff. This we did. After sometime we were asked to return to his interior office. With an air of defiance Fukuda told us that once military action was started it was difficult to stop, and that to stop it the minimum condition would be disbanding and disarming of the three complete units of the advancing Nationalist armies and severe punishment of their chief officers, who were Fong Tsing-Wu, Ho Yao-tsu and Chen Tiao-yuan. His charges against them were that their troops during engagements with Chang Chung-chang tore away tracks on the Tsingtao-Tsinan Railway, that their troops offered resistance before the Japanese soldiers and that their troops killed several Japanese nationals. We pointed out to him the injustice of his charges and the impossibility of fulfilling his demands. (1) The whole question of responsibility was yet to be determined, how then could these officers be punished without any impartial investigation? (2) It was impossible for the whole of the three armies to be guilty as part of them were already on the other side of the Yellow River when the clash occurred. Then how could the whole of these three armies be disbanded? Moreover, the immediate disbanding of even a part of these three armies who were actively engaged with their opposing forces would virtually mean the collapse of the Northern Expedition. From first to last Fukuda refused to admit that the Japanese troops were in any way responsible for the outrages in Tsinan. He insisted that the Nationalist armies immediately evacuate Tsinanfu and that the Tientsin-Pukow railway could not be used by the Nationalist Forces. Before our departure from his office, Fukuda told us that all Japanese demands must be complied with without reservation and that for further conference with him a fullpower delegate would have to be sent by General Chiang Kai-shek. Throughout his conversation Fukuda used gestures that clearly suggested arrogance.

Escorted to the Railway Track

"We, General Hsiung and I, left Fukuda's headquarters and went into the city of Tsinanfu in the hope of seeing Chiang Tsu-ping, but he had already left the city when we arrived. We stayed in the city for a period of time during which we received delegates from the Tsinan Chamber of Commerce and handed to Mr. Tsu Shih-chek his letter of appointment to he post of Commissioner of Foreign Affairs and also his credentials. When we were about to leave the city we requested the Japanese officers to escort us to the limit of the Japanese front line. They took us to the nearest railway track and left us there saying that they could accompany us no further. We tried to walk to Tongchiachang along the railway track, but the Japanese soldiers were posted so densely all along the line we deemed it wise not to take the risk. So we made a detour and took the automobile highway. After walking for about three hours we got as far as four li from Tongchiachang our immediate destination. We heard machine-gun shots sounding like a continuous explosion of firecrackers. Occasionally the cannon roars were clearly audible. A crowd of people, most of them in rags, came toward us in the opposite direction. They were refugees from Tongchiachang. The Tongchiachang railway station, they informed us, was openly attacked by Japanese soldiers. (At this point there suddenly came to my memory the question that was repeatedly asked of us by Fukuda's subordinates as to the whereabouts of General Chiang Kai-shek.) Thereupon we changed our course and took another route leading to Tonchiachang. After walking not more than a score of yards, we met a Japanese armored car. We were ordered to stop. A Japanese officer leaped down from the car. Two machine guns were levelled at my head and that of General Hsiung. With his pistol pointing at my breast, this Japanese officer asked me whence we came and whither we were going. He used the most insulting kind of language. He told us that white flags, which we still held in our hands, were useless as the Japanese troops were resisted by the Chinese troops at the front. We showed him General Fukuda's letter. More explanation followed. Finally we were permitted to go our own way.

"We climbed more than 10 small hills and two large mountains of the Taishan range. Tired and exhausted, we reached a place called Changshia at about midnight, and from there we went to Taian by special train arriving in the city of Taian at about six a. m.

"After a series of conferences it was decided that General Ho Chen-tsuen, Chief Councilor of General Chiang's staff be sent to see Fukuda at Tsinan. General Ho left Taian at noon and did not return at midnight when I was to leave the city, It was reported to me that General Ho was placed under strict surveillance while in Tsinan.

"On May 9 we received reports of the bombardment of Tsinan by the Japanese. Before the bombardment took place, it is to be noted, General Chiang Kai-shek issued orders that the soldiers left in the city for protection purposes be withdrawn. But these orders could not reach them as all means of communication were in the hands of the Japanese

Late in the afternoon on the next day reports came to us that Tsinanfu was taken by the Japanese. The two regiments of Nationalist soldiers were bottled up in the city and were almost completely wiped out. The number of Chinese civilians killed, according to our reports, is around 5,000; according to the Japanese estimate, as given out by the Japanese consul at Tsingtao, about 2,000.

"In the company of Tan Yen-kai, Chairman of the Nationalist Government, I left Taian on May 10th for Yenchowfu. On the 11th we left Yenchowfu and reached Nanking at midnight, May 12th."

Replying to my question as to what was his own opinion toward the whole situation, he said,

"Several things stand out quite clearly. (1) The action of the Japanese throughout has been premeditated, designed to block the advance of the Nationalists Forces This can easily be seen from Fukuda's five demands. (2) The Nationalists under the leadership of General Chiang Kai-shek tried very hard to prevent trouble; and after trouble occurred they tried their utmost to bring about a peaceful settlement as clearly seen in their repeated attempts at negotiation. On the other hand the Japanese intended, planned and prepared for war., All throughout they have assumed a warlike attitude. In secret instructions delivered May 4 General Fukuda praised the gallantry and courage of the Japanese soldiers. He said. "Our soldiers did not waste one minute in carrying out their orders." (3) The presence of Japanese troops in Tsinan, which in itself is a gross violation of international law and morality, made the clash and whatever trouble that occurred inevitable. (4) Whatever might have been the cause of the initial conflict, it was insignificant and could not justify military action on the part of the Japanese troops. (5) In the course of a gigantic military campaign and a life-and-death struggle such as the Nationalists have been engaged in unexpected and even unpleasant incidents are unavoidable; and for these incidents extraordinary consideration should be shown by all concerned.

"The situation is still tense. Just what will be the outcome of it all, time alone will tell. One thing, however, is certain, and that is, Justice and not Aggressiveness, Right and not Might will ultimately prevail."

Shanghai, May 20, 1928.

Much Activity at Tsingtao, But Tsinan is "Dead"

The following telegrams are from H. J. Timperley, Correspondent of the Manchester Guardian.

Tsingtao, May 20—Foreigners who have returned from Tsinan stated that the place has the air of a deserted city, only a few smaller shops being open. Traffic is all but deserted in what were once crowded streets. The banks remain closed and business is generally paralyzed. Residents find it difficult to obtain daily food necessities owing to the disinclination of the Chinese farmers to enter the Japanese protected areas. The native population appears to be thunderstruck by the drastic measures which are being taken by the Japanese military authorities and are fleeing from the city in a steady stream. The Japanese are making vigorous house-to-house searches for hidden arms and, according to Chinese accounts, this is causing many unfortunate incidents owing to Chinese civilians being severely mishandled. Tsingtao remains quiet. Newly arrived Japanese troops are relieving the marines formerly stationed ashore. The Japanese authorities officially deny the rumor that they intend to offer Northern troops still controlling the Tsingtao area the alternative of disarming or evacuating.

Tsingtao, May 21.—The wharves at Tsingtao resounded with welcoming "Banzais" from the Japanese colony this morning when two transports bringing the advance units of the Nagoya division steamed into the harbor and tied up to the wharf. Coincident with the arrival of the troops Japanese seaplanes circled overhead, trailing red and white streamers.

The pierheads were gay with banners. One steamer carried a battery of field artillery and an interested crowd of Japanese watched the splendid-looking horses being hoisted ashore from the ship in slings. The Chinese population took small interest in the event, the wharf coolies sleeping comfortably in the sunshine amongst bales of Japanese military supplies. Simultaneously with the debarkation of the troops, at the adjoining wharf a solemn procession followed behind a wreath-bedecked hearse in which caskets containing the ashes of twenty-one Japanese soldiers killed in the Tsinan fighting were being transhipped on board a Japanese ship to be sent back to Japan. The first contingent of the Nagoya division, after remaining at Tsingtao two days, will be dispatched to various points along the 250-mile railway connecting Tsinan and Tsingtao. Other transports are arriving here from Japan end of the week, but it is reported that a considerable portion of the Nagoya division is being diverted to Tientsin, Peking and Chingwantao for the purpose of coping with the new situation in that area, where Japan is threatening to intervene and to disarm Chang Tso-ling's troops in the event they are defeated by the Nationalists and attempt to retreat into Manchuria.

American Silk Delegation Visits Shanghai

A delegation from the American Silk Association, consisting of William C. Cheney, director, Cheney Brothers; Daniel E. Douty, vice-president and general manager of the U. S. Testing Co., Inc. and recording secretary of the Raw Silk Classification Committee; Albert Bosshard, Manager of the raw silk department of the Stehli Silk Corp, and member of the Raw Silk Classification Committee; Henry B. Arundale, textile engineer at the U. S. Testing Co., Inc. and research engineer of Raw Silk Classification Committee Inc.; and James A. Nary, textile engineer of the U. S. Testing Co., Inc. and manager of the Chicago Testing House, arrived in Shanghai, May 18. They were guests at a dinner given by the Chinese Steam Silk Filature and Cocoon Merchants' Guild and the Native Silk Guild of Kiangsu, Chekiang and Anhwei, at the Chinese General Chamber of Commerce on the evening of May 19. Two hundred Chinese and foreign representatives of silk interests of Shanghai were present; and the executive directors of the Chinese General Chamber of Commerce, as well as the American Trade Commissioner, Miss A. Viola Smith had been invited.

In his welcome speech at the dinner, Wang Chih-chen, Chairman of the Kiangsu, Chekiang and Anhwei Steam Silk Filatures and Cocoon Merchants Guild, thanked Mr. Douty for his friendly assistance in the improvement of Chinese raw silk in the past and appreciated the kindness of Mr. Cheney's party in coming to Shanghai after their conference in Japan. He also reported marked improvement in the quality of China raw silk and the raising of better cocoons in this country during recent years.

According to Mr. Wang, there are at present 93 silk filatures in Shanghai and 60 filatures in Chekiang, the former having a total of 26,000 basins and the latter about 10,000. The total annual production of raw silk in this part of China is about 75,000. bales, with prospects of immediate increase and improvements.

Mr. Cheney replied with a few words of thanks to the Chinese silk merchants for the hospitality they had shown him and his associates and wished the prosperity of China's silk trade and China's national stability and happiness as a whole.

Mr. Douty is the founder of the Shanghai International Testing House, and it is announced that he will remain in charge of that institution here while Mr. Buchanan, its present manager, is away in the United States. Mr. Buchanan is leaving Shanghai on June 2.

Boris P. Torgasheff Writes on Coal Reserves of North Manchuria

"Coal Reserves of North Manchuria, Production and Comsumption" is the title of a pamphlet, (reprinted from the *Chinese Economic Bulletin*) written by Boris P. Torgasheff, well-known author on the mineral resources of the Far East, a number of whose articles have appeared in *The Review* during the past year. Mr. Torgasheff states that only comparatively little is known as to the coal possibilities of North Manchuria. The Chinese Eastern railway, he states, has been the pioneer in investigations, owing to the fact that the supplies of wood are gradually being exhausted, and therefore a greater need for coal is being felt.

League of Overseas Chinese in Shanghai Issues Prospectus

The League of Overseas Chanese, which has its headquarters in the China United Building in Shanghai, has issued a prospectus outlining its activities, which are mainly devoted to the economic development of China. The promoters of the organization are: Dr. Hu Shih of Kuang Hua University, Dr. Chung Wiug-kwong, director of the Overseas Bureau, Li Yuan-hung, former president of China, Quo Tai-chi, former Acting Minister of Foreign Affairs, Hsu Ko-ching, a former general in the Revolutionary Army; Ernest K. Moy of the Nationalist News agency; Lew Yik-lin, former Chinese Minister at London; and Lu Yoh-chuen and King Chien-kun, directors of the China United Assurance Society, Shanghai.

War Prisoners Should Build Roads, Says Dr. C. T. Wang

Dr. C. T. Wang, Director of the Lung-Hai Railway, has suggested to the Provincial Governments of Kiangsu and Chekiang that all war prisoners captured in the present campaign against Peking be employed for the construction of motor roads in the provinces. Dr. Wang asks that a road between Nanking and Hangchow via Ihsing be built immediately to facilitate communications between the two cities.